

BOPCO, L.P.
201 MAIN ST.
FORT WORTH, TEXAS 76102-3131
817/390-8400

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April 2, 2009

FEDERAL EXPRESS

Bureau of Land Management
Carlsbad District Office
620 E. Green St.
Carlsbad, New Mexico 88220
Attn: Mr. Wesley Ingram

New Mexico State Land Office
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501
Attention: Mr. Pete Martinez

New Mexico Oil Conservation Division
1220 St. Francis
Santa Fe, New Mexico 87505
Attention: Mr. William Jones

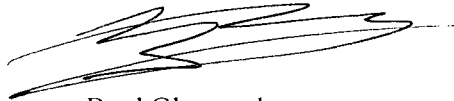
Re: Commercial Determination
James Ranch Unit Well No. 27
Bone Spring Formation
Eddy County, New Mexico

Gentlemen:

Please find attached hereto one (1) copy of Bass' commercial determination worksheets and exhibits which indicate that the subject well is a commercial well in the Bone Spring Formation. Please indicate your concurrence to the above Commercial Determination. Upon your execution hereof, Bass will submit a participating area for the well.

Thank you very much and should you have any questions or comments in regard to the attached commercial determination, please do not hesitate to contact the undersigned.

Very truly yours,



Brad Glasscock

Bureau of Land Management

New Mexico State Land Office

New Mexico Oil Conservation Division

By: _____

By: _____

By: _____

Its: _____

Its: _____

Its: _____

Date: _____

Date: _____

Date: _____

**WORKSHEET FOR COMMERCIAL DETERMINATION
AND PARTICIPATING AREA IN FEDERAL UNITS**

WELL DATA

WELL JAMES RANCH UNIT # 27 FORMATION BONE SPRING
 LOCATION I UNIT, 1780 FEET FROM SOUTH LINE & 200 FEET FROM EAST LINE
 SECTION 36 TOWNSHIP 22S RANGE 30E COUNTY EDDY NEW MEXICO
 SPUD DATE 7/14/00 COMPLETION DATE 9/2/00 INITIAL PRODUCTION 9/8/00
 PERFORATIONS 11,120'-11,129'

STIMULATION:

ACID 2500 Gal 7 1/2% Fercheck acid

FRACTURE 117,800 gals gel w/ 245,000# Super LC RC 20/40 sd

POTENTIAL (F) 50 BO 102 MCF 102 BW

(Attach Copy C-105. Attach Copy of Wellbore Sketch of Completed Well.)

VOLUMETRIC CALCULATION

	SANDS PERFORATED	SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE
Area (A) proration unit size, acres	<u>40</u>	
Porosity (por), %	<u>11.1%</u>	
Water Saturation (Sw), %	<u>60%</u>	
Net Thickness (h), ft.	<u>18</u>	
Temperature (T), Fahrenheit	<u>120</u>	
Bottom Hole Pressure (P), psia	<u>3726</u>	
Recovery Factor (RF), %	<u>15%</u>	
Recoverable Oil, Bbls * (See eq. Below)	<u>24,801</u>	

*Sometimes unable to match performance due to volumetric uncertainty.

Formula = $(7758) (A) (h) (1-SW) (1/Boi) (RF)$

Boi= 1.5

PERFORMANCE DATA

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO	<u>1/31/01</u>	<u>868</u>	BBLs
		PRODUCING	
INITIAL RATE (qi)		<u>432</u>	
ECONOMIC LIMIT (ql)		<u>61</u>	
DECLINE RATE, dy (Hyperbolic, n=1.01)		<u>53.6</u>	
REMAINING OIL (Q)=		<u>12,132</u>	
ULTIMATE RECOVERABLE OIL		<u>13,000</u>	

(Attach plot showing pro-ration unit and participating area.)

ECONOMIC

WELL COST	<u>\$1,203,300</u>	(to the depth of formation completed)
RECOMPLETION COST	<u> </u>	
TOTAL COST	<u>\$1,203,300</u>	

<u>YEAR</u>	<u>GROSS OIL</u>	<u>REVENUE</u>	<u>OPERATING COST (Includes Sev. Tax & Ad Val Tax)</u>	<u>10% NET BFIT DISCOUNTED CASH FLOW</u>
ZERO				<u>(1,203,300)</u>
1	<u>900</u>	<u>25,900</u>	<u>8,400</u>	<u>17,400</u>
2	<u>3,600</u>	<u>118,500</u>	<u>28,100</u>	<u>83,500</u>
3	<u>2,500</u>	<u>70,900</u>	<u>24,500</u>	<u>39,100</u>
4	<u>1,800</u>	<u>47,700</u>	<u>22,800</u>	<u>19,100</u>
5	<u>1,400</u>	<u>35,700</u>	<u>21,900</u>	<u>9,600</u>
6	<u>1,200</u>	<u>29,400</u>	<u>21,400</u>	<u>5,100</u>
7	<u>1,000</u>	<u>24,200</u>	<u>21,000</u>	<u>1,800</u>
8	<u>500</u>	<u>12,600</u>	<u>12,200</u>	<u>17,400</u>
9				
10				
REMAINDER				
TOTAL	<u>12,900</u>	<u>\$364,900</u>	<u>\$160,300</u>	<u>(\$1,010,300)</u>

WELL IS NOT COMMERCIAL

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NM-02953-C

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
James Ranch Unit

8. Lease Name and No.
James Ranch Unit # 27

9. API Well No.
30-015-31033

10. Field and Pool, or Exploratory
Los Medanos, South

11. Sec., T., R., M., or Block and Survey or Area
Section 36, T22S-R30E

12. County or Parish
Eddy

13. State
New Mexico

CONFIDENTIAL

1a. Type of Well Oil Well Gas Well Dry Other

b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resvr.
Other

2. Name of Operator
Bass Enterprises Production Co.

3. Address
P.O. Box 2760 Midland, TX 79702-2760

3a. Phone No. (include area code)
(915) 683-2277

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface 200' FEL & 1780' FSL
At top prod. interval reported below
At total depth 660 FWL & 1980 FSL Sec. 31 T22S-R31E

14. Date Spudded 7/13/00

15. Date T.D. Reached 8/23/00

16. Date Completed 9/2/00
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
3316' FL, 3334.8' KB

18. Total Depth: MD 11,450' TVD

19. Plug Back T.D.: MD 11,357' TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

22. Was well cored? No Yes (Submit analysis)
Was DST run No Yes (Submit report)
Directional Survey? No Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt.(#ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
14-3/4"	11-3/4"	42#	0	668'	- - -	350 Class B	- - -	Surface	N/A
11"	8-5/8"	32#	0	3709'	- - -	900 Prem P1	- - -	Surface	N/A
7-7/8"	5-1/2"	17#	1201'	11.450'	- - -	2240 Prem P1	- - -	1201' TS	N/A

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	7320'	7320'						

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Bone Spring	11,111'	11,139'	11,120-129'	0.4	18	CIBP @ 7900'
B) Wolfcamp	11,301'	11,327'	11,309-318'	0.4	18	CIBP @ 7900'
C) Delaware	7291'	7400'	7485-90'	0.4	10	Producing
D) Delaware	7493'	7672'	7680-85'	0.4	10	Producing

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth interval	Amount and Type of Material
11,120-129, 11,309-318'	Acidized w/ 2500 gals 7-1/2% fercheck acid. Frac'd w/ 117,800 gals gel w/ 245,000# Super LC resin coated 20/40 sand.
7485-90', 7680-85'	Acidize w/500 gals 15% HCl w/ additives. Frac'd w/ 97,888 gals Viking 30 + 335,517 Brady Sand.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
9/8/00	9/28/00	24	→	50	102	102	44.2		Flowing
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
36/64"	SI	54	→	50	102	102	2040		

ACCEPTED FOR RECORD

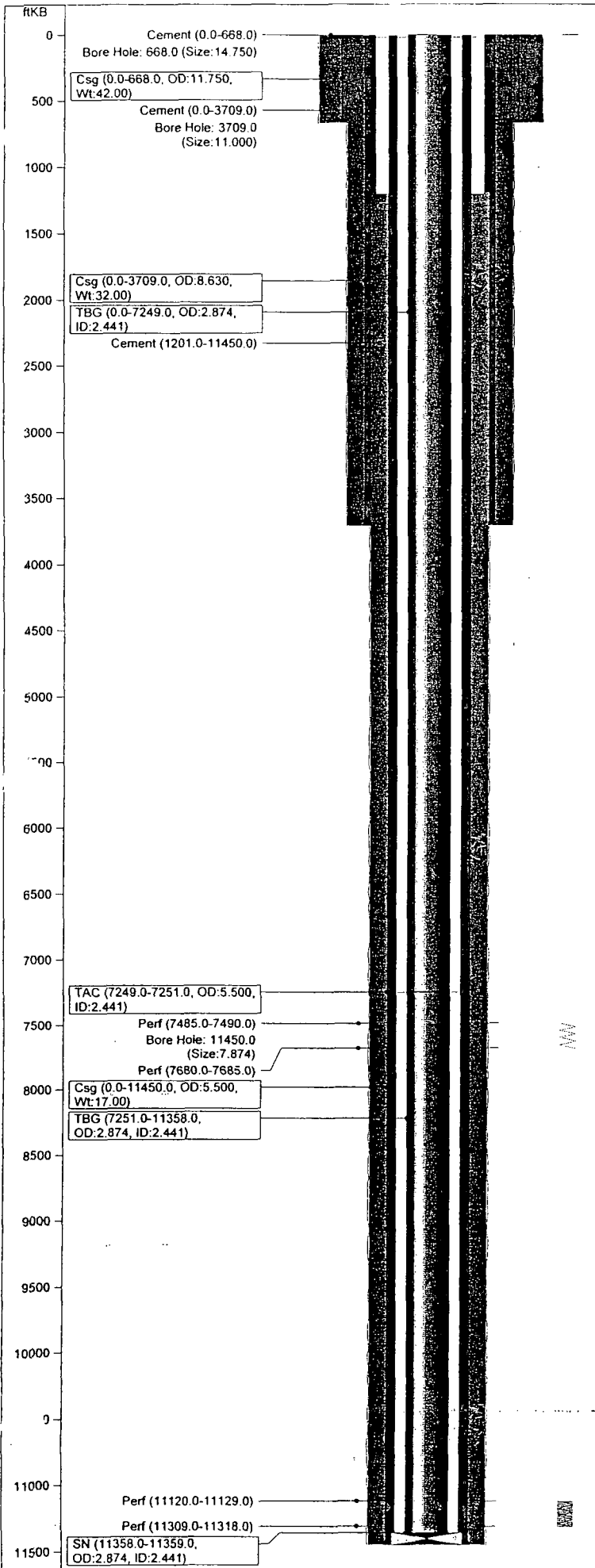
DEC 03 2000

CIBP @ 7900'

BLM

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
9/8/00	9/28/00	24	→	50	102	102	44.2		Flowing
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
36/64"	SI	54	→	50	102	102	2040		CIBP @ 7900'



JAMES RANCH UNIT #27			
API No.	3001531033	Comments	
ID	11450.0 fRKB	Status	ACT OIL
PBTD	11357.0 fRKB	Engineer	KAA
Operator	BEPCO	Permit	
Well No.	27	Spud	7/14/2000
ID Code		RR	8/23/2000
Field	LOS MEDANOS	Completion	8/29/2000
Author	CDP	Last Act.	
Date Updated	11/16/2000	Abandoned	

Location			
Township	22S	Top Latitude	0
		Top Longitude	0
Range	30E	Top NS Distance	1780.0 ft S
		Top EW Distance	200.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.		Bottom Longitude	0
State	NM	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations			
KB	3334.8 ft	Cas Flng	0.0 ft
Grd	3316.0 ft	Tub Head	0.0 ft
KB-Grd	18.8 ft		

Casing String - Surface Casing									
Des	Date	Top (ftKB)	Btm (ftKB)	Jts	OD	ID	Wt	Grd	Thd
Csg	7/14/2000	0.0	668.0		11.750	11.080	42.00		

Casing String - Intermediate Casing									
Des	Date	Top (ftKB)	Btm (ftKB)	Jts	OD	ID	Wt	Grd	Thd
Csg	7/18/2000	0.0	3709.0		8.630	7.920	32.00		

Casing String - Production Casing									
Des	Date	Top (ftKB)	Btm (ftKB)	Jts	OD	ID	Wt	Grd	Thd
Csg	8/23/2000	0.0	11450.0	257	5.500	4.890	17.00	P110	LTC

Casing Cement					
Casing String	Date	Top (ftKB)	Btm (ftKB)	Amt (sx)	Comments
Surface Casing	7/14/2000	0.0	668.0	300	
Intermediate Casing	7/18/2000	0.0	3709.0	1200	
Production Casing	8/23/2000	1201.0	11450.0	2240	TOC TS 1201

Tubing String - Tubing									
Des	Date	Top (ftKB)	Bottom (ftKB)	Jts	OD (in)	ID (in)	Wt	Grd	Thd
TBG	10/22/2000	0.0	7249.0	231	2.874	2.441	6.50	N80	EUE
TAC	10/22/2000	7249.0	7251.0		5.500	2.441	6.50		
TBG	10/22/2000	7251.0	11358.0	131	2.874	2.441	6.50	N80	EUE
SN	10/22/2000	11358.0	11359.0		2.874	2.441	6.50	N80	EUE

Other (plugs, equip., etc.) - Plug Back					
Date	Item	Top (ftKB)	Bottom (ftKB)	OD	ID
8/23/2000	Cement Plug	11357.0	11450.0	4.890	5.500

Perforations			
Date	Int	Holes	Status
8/29/2000	11120.0 - 11129.0	18.0	OPEN
8/29/2000	11309.0 - 11318.0	18.0	OPEN
10/17/2000	7485.0 - 7490.0	10.0	OPEN
10/17/2000	7680.0 - 7685.0	10.0	OPEN

Stimulations & Treatments				
Date	Type	Int	Fluid	Sand
		0.0 - 0.0		
8/31/2000	ACID	11120.0 - 11318.0	3000 GAL 7 1/2" FERCHECK ACID	
9/1/2000	Sd Frac	11120.0 - 11318.0	117,800 GAL GEL	245,000# 20/40 RCS
10/19/2000	Sd Frac	7485.0 - 7685.0	97,888 GAL VIKING 30	239,600# 16/30 BRADY 95,837# CR4000

WELL HISTORY

WELL NAME: James Ranch Unit #27
FIELD NAME: Los Medanos (Wolfcamp, Bone Spring, Delaware)
LOCATION: 1780' FSL & 200' FEL, Sec 36, T22S, R30E,
Eddy County, New Mexico
ELEV: 3316' GL, 3334' KB
SPUD DATE: 7/14/2000, RR 7/23/2000
COMP DATE: 8/29/2000
ORIG TD: 11,450'
ORIG PBTD: 11,357'
CASING: 11 3/4" 42# WC40 668' w/300 sx, cmt circ, 14 3/4" hole.
8 5/8" 32#,WC50,& 28# WC50, CSA 3809' w/1200 sx, cmt circ, 11'
hole.
5 1/2 15.5 17# P110, CSA 11,450' 1ST STAGE 1240 SX DV TOOL 6877, 2ND
STAGE 1000 SXS, TOC 1201'(TS).
TUBING: 2 7/8", 6.5# J-55, 8 RD
DST: None
CORES & LOGS: GR-CN-LDT-AIT(PLATFORM EXPRESS)

INITIAL COMPLETION

7/14/2000 TO 7/23/2000

INITIAL COMPLETION

TD 11,450', PBTD 11,357'.Ran logs.

**Perf: 11309-318' WOLFCAMP 2 SPF 18 HOLES, 11,120-129' BONE SPRINGS
2 SPF 18 SHOTS. TREAT w/ 500 GAL 7 1/5% FERCHECK, 2500 GAL 7 1/5%
FERCHECK ACID & 100 BS. FRAC w/117,800 gal Gel + 245,000# 20/40 Super
LC RC sd. Avg 5078 psig. ISIP 3610 psi. 9/9/2000 (F) 126 BO, 34 BW 270
MCF.**

Page 2

James Ranch Unit #27

10/17/2000 TO 11/15/2000

Set CIBP @ 7900', **Perf** LBC @ 7680-85' 10 shots, **U-Sand** 7485-90' 10 shots.
Pmp 500 gal 15% HCL, **Frac** w/97,888 gal Viking 30, 239,000# 16/30 Brady,
95,837# 16/30 CR4000. Run Tbg, Set Pmp Unit, 11/15/00 Test Delaware 84 BO
181 BW, 45 MCF.

GOR-MCF/BBL

1

0.1

0.01

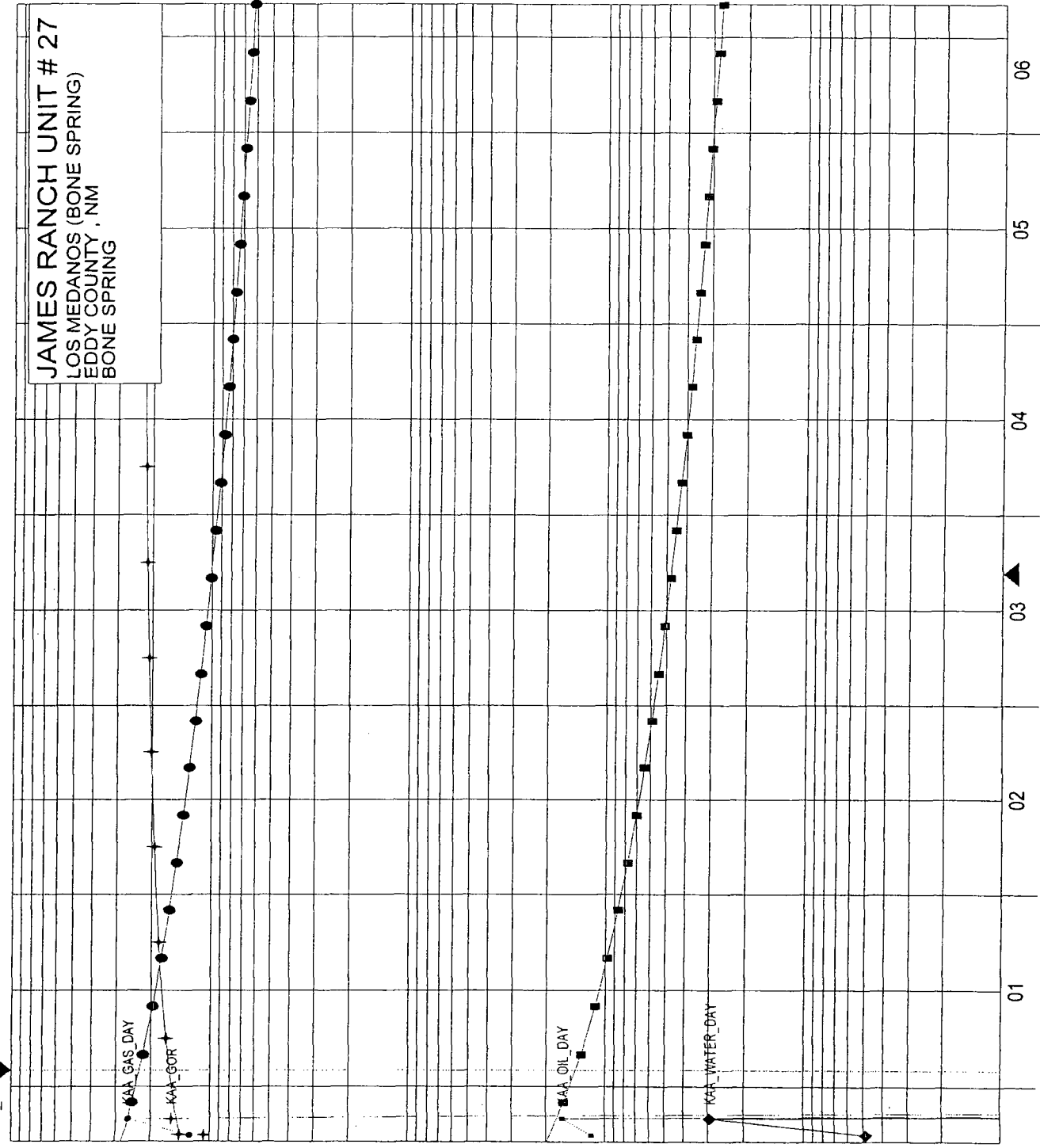
0.001

0.0001

JAMES RANCH UNIT # 27
 LOS MEDANOS (BONE SPRING)
 EDDY COUNTY, NM
 BONE SPRING

KAA_OIL_DAY

OIL-BOPD



KAA_OIL_DAY	CD	KAA_GAS_DAY	CD	KAA_WATER_DAY	CD	KAA_GOR	CD
Qual=	2/2001	Qual=	2/2001	Qual=	2/2001	Qual=	2/2001
Ref=	868	Ref=	1188	Ref=	0	Ref=	0
Cum=	13344	Cum=	27202	Cum=	0	Cum=	0
Rem=	14212	Rem=	28390	Rem=	8,000	Rem=	8,000
EUR=	8.077	EUR=	8.000	EUR=	1.6	EUR=	1.6
Yrs=	14.2	Yrs=	22.8	Yrs=	0.000000	Yrs=	0.000000
Qref=	43.384774	Qref=	32.695188	Qref=	0.000000	Qref=	0.000000
b=	1.010000	b=	1.010000	b=	0.000000	b=	0.000000
Qab=	2.0	Qab=	4.7	Qab=	0.0	Qab=	0.0

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Pec Lease - 3 Copies

DISTRICT II
P.O. Drawer 99, Artesia, NM 88210

OIL CONSERVATION DIVISION

DISTRICT III
Rio Brazos Ed., Artesia, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

CONFIDENTIAL

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31033	Pool Code 96336	Pool Name Los Medanos (Wolfcamp) South
Property Code 001786	Property Name JAMES RANCH UNIT	Well Number 27
OCRID No. 001801	Operator Name BASS ENTERPRISES PRODUCTION COMPANY	Elevation 3316'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	36	22 S	30 E		1780	SOUTH	200	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 3	31	22 S	31 E		1980	SOUTH	660	WEST	EDDY

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
-----------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LAT - N 32°20'46"
 LONG - W 103°49'35"

3315.1' 3317.8'
 200'
 3312.9' 3314.9'
 1780'

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Tami Wilber
Signature

Tami Wilber
Printed Name

Production Clerk
Title

11/20/00
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

November 16, 1999

Date Surveyed
Signature & Seal
Professional Surveyor

W. O. Jones 7977
Professional Surveyor

DRAWN SURVEYS

Campus Ranch U# 427
 Los Medanos (B. Spring)

Date: 03/13/2001
 Time: 15:08:36
 DBS: INDWELLS
 Settings: SETDATA
 Scenario: cd

INPUT DATA INITIAL CALCULATED DATA

ITEM NAME	Scheduling Rates	Schedule Until	Procedure	Ultimate	Last	Eff. Decl	Init. Rate	Final Rate
400 OIL	09/2000 354 514 0 0 0 #			0.868	1/2001			
401 GAS	09/2000 379 809 0 0 0 #			1.188	1/2001			
402 WTR	09/2000 146 912 0 0 0 #			1.058	1/2001			
403 START	02/2001							
404 OIL	431.85 X B/M	18.19 IMU	B/1.010 43.38	18.189	9/2018	53.6	432.	30.
405 START	02/2001							
406 GAS	692.83 X M/M	38.24 IMU	B/1.010 32.70	38.236	1/2018	38.5	693.	76.
407 START	09/2000							
511 PRI/OIL	16.8800 X \$/B	1/95 MM/YY	PC		9/2018		16.880	
512 "	18.39 X \$/B	1/96 AD	PC		9/2018		18.390	
513 "	22.26 X \$/B	1/97 AD	PC		9/2018		22.260	
514 "	20.74 X \$/B	1/98 AD	PC		9/2018		20.740	
515 "	14.43 X \$/B	1/99 AD	PC		8/2000		14.430	
516 "	19.25 X \$/B	1/2000 AD	PC		8/2000		19.250	
517 "	30.25 X \$/B	1/2001 AD	PC		12/2000		30.250	
518 "	27.60 X \$/B	1/2002 AD	PC		12/2001		27.600	
519 "	23.88 X \$/B	1/2003 AD	PC		12/2002		23.880	
520 "	22.10 X \$/B	01/2004 AD	PC		12/2003		22.100	
521 "	21.40 X \$/B	01/2005 AD	PC		12/2004		21.400	
522 "	21.20 X \$/B	06/2005 AD	PC		5/2005		21.200	
523 "	21.20 X \$/B	03/2006 AD	PC		2/2006		21.200	
524 "	20.20 X \$/B	TO LIFE	PC		2/2006		20.200	
526 PRI/GAS	1.8900 X \$/M	1/95 MM/YY	PC		9/2018		1.890	
527 "	1.94 X \$/M	1/96 AD	PC		9/2018		1.940	
528 "	2.61 X \$/M	1/97 AD	PC		9/2018		2.610	
529 "	2.59 X \$/M	1/98 AD	PC		8/2000		2.590	
530 "	2.11 X \$/M	1/99 AD	PC		8/2000		2.110	
531 "	2.27 X \$/M	1/2000 AD	PC		8/2000		2.270	
532 "	3.88 X \$/M	1/2001 AD	PC		12/2000		3.880	
533 "	6.63 X \$/M	01/2002 AD	PC		12/2001		6.630	
534 "	5.02 X \$/M	01/2003 AD	PC		12/2002		5.020	
535 "	4.37 X \$/M	01/2004 AD	PC		12/2003		4.370	
536 "	3.85 X \$/M	01/2005 AD	PC		12/2004		3.850	
537 "	3.82 X \$/M	01/2006 AD	PC		12/2005		3.820	
538 "	3.70 X \$/M	TO LIFE	PC		12/2005		3.700	
540 PRI/OIL	-0.9100 X \$/B	TO LIFE	PC				-0.910	24008.000
542 PRI/GAS	-0.1300 X \$/M	TO LIFE	PC		2/2006		-0.130	24008.000
600 OPC/T	1600.00 X \$/M	TO LIFE	PC		9/2018		1600.000	1600.000
601 OPC/WTR	0.08 X \$/U	TO LIFE	PC		8/2000		0.080	0.080
602 ATX	0.17 X \$	TO LIFE	PC		9/2018		0.002	0.002

602 OPC/T	0.00	X	\$/M	TO	LIFE	PC	0.00	9/2018	1600.000
603 STX/OIL	7.08	X	%	TO	LIFE	PC	0.00	9/2018	0.071
604 ATX	0.00	X	%	TO	LIFE	PC	0.00	9/2018	0.002
604 STX/GAS	7.93	X	%	TO	LIFE	PC	0.00	9/2018	0.079
605 STX/OIL	0.00	X	%	TO	LIFE	PC	0.00	9/2018	0.071
606 STX/GAS	0.00	X	%	TO	LIFE	PC	0.00	9/2018	0.079
705 LSE/WI	100.0000	D	%	TO	LIFE	FLAT	0.00	9/2018	1.000
720 NET/OIL	86.5000	D	%	TO	LIFE	FLAT	0.00	9/2018	0.865
740 NET/GAS	86.5000	D	%	TO	LIFE	FLAT	0.00	9/2018	0.865
780 LSE/NFI	0.0000	D	%	TO	LIFE	FLAT	0.00	9/2018	

OVERLAYS	Scheduling Rates	Procedure	Ultimate	Last	Eff. Decl	Init. Rate	Final Rate
900 OIL	09/2000 354 514 0 0 #		0.868	1/2001			
901 GAS	09/2000 379 809 0 0 #		1.188	1/2001			
902 WTR	09/2000 146 912 0 0 #		1.058	1/2001			

INVESTMENT	Tangibles & Intangibles	Time	Procedure	Total T&I	Month	Risk Inv.	Tot. T&I&R	Esc. T&I&R
800 DRILL	240.70 962.60 M\$G	09/2000 AD	PC	1203.300	9/2000	0	1203.3	1203.3
801 SALV	-33.00 0.00 M\$G	TO	PC	-33.000	9/2018	0	-33.0	-33.0

MISC. PARAMETERS

250 LOSS NO

PROJECT RUN SETTINGS

Base Date : 09/2000 Time Frames : 4,48*12,620

P.W. Date : 09/2000 Primary PW% : 10.0 Discount Freq. : MO

Report Date : 09/2000

Qualifiers : Prod = CD Price = CD Cost = CD Owner = CD

Title = DEFAULT Misc = CD Invest = CD Overlay = CD

NET/WTR

WI

R E S E R V E S A N D E C O N O M I C S

AS OF DATE: 09/2000

PERIOD ENDING 12/2000 12/2001 12/2002 12/2003 12/2004 12/2005 12/2006 12/2007 6.9 YR TOTAL

OWNERSHIP

1) WORKING INTEREST, % 100.000 100.000 100.000 100.000 100.000 100.000 100.000 100.000 100.000 100.000
 2) REVENUE INTEREST, % 86.500 86.500 86.500 86.500 86.500 86.500 86.500 86.500 86.500 86.500

INVESTMENTS, M\$

3) BORROWED CAPITAL 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
 4) EQUITY INVESTMENTS 1203.3 0.0 0.0 0.0 0.0 0.0 -33.0 1170.3
 5) RISK 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
 7) TOTAL 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 1170.3

OIL PHASE

8) GROSS OIL, MB 0.9 3.6 2.5 1.8 1.4 1.2 1.0 0.5 13.0
 9) NET OIL, MB 0.8 3.1 2.2 1.6 1.2 1.0 0.9 0.5 11.2
 10) OIL REVENUE, M\$ 22.0 83.0 50.0 33.6 25.6 20.9 17.1 8.8 260.9
 11) OIL PRICE, \$/B 29.34 26.69 22.97 21.19 20.49 20.29 19.47 19.29 23.23

GAS PHASE

12) GROSS GAS, MMF 1.2 6.3 5.0 3.8 3.1 2.7 2.3 1.2 25.6
 13) NET GAS, MMF 1.0 5.5 4.3 3.3 2.7 2.3 2.0 1.0 22.2
 14) GAS REVENUE, M\$ 3.9 35.4 21.0 14.1 10.1 8.5 7.1 3.7 103.8
 15) GAS PRICE, \$/MCF 3.750 6.500 4.890 4.240 3.720 3.690 3.570 3.570 4.687

WTR PHASE

28) GROSS WTR MB 1.1 0.0 0.0 0.0 0.0 0.0 0.0 0.0 1.1
 29) NET WTR, MB 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
 30) WTR REVENUE, M\$ 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
 31) WTR PRICE, \$/T 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00

ECONOMICS, M\$

32) GROSS REV. TO INTR. 25.9 118.5 70.9 47.7 35.7 29.4 24.2 12.6 364.8
 33) - SEV. TAX 1.9 8.7 5.2 3.5 2.6 2.2 1.8 0.9 26.7
 34) - AD VALOREM TAX 0.0 0.2 0.1 0.1 0.1 0.0 0.0 0.0 0.6
 35) - OPERATING COSTS 6.5 19.2 19.2 19.2 19.2 19.2 19.2 11.2 132.9
 36) - CAPITAL REPAYMENT 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
 37) - INTEREST PAID 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
 38) - NPI PAID 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
 39) + NPI OWNED 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
 40) = NET INCOME 17.5 90.4 46.4 24.9 13.8 8.0 3.2 0.4 204.6
 41) - INVESTMENTS & RSK 1203.3 0.0 0.0 0.0 0.0 0.0 -33.0 1170.3
 42) = BFIT NET -1185.8 90.4 46.4 24.9 13.8 8.0 3.2 33.4 -965.7

PRESENT WORTH @ 10.00 %

43) NET INCOME 17.4 83.5 39.1 19.1 9.6 5.1 1.8 0.2 175.8
 44) INVESTMENTS & RISK 1203.3 0.0 0.0 0.0 0.0 0.0 -17.2 1186.1

45) BFIT NET
46) CUM BFIT ?

-1185.9 83.5 39.1 19.1 9.6 5.1 1.8 17.4 -1010.3
-1185.9 -1102.4 -1063.3 -1044.2 -1034.6 -1029.5 -1027 .1010.3 -1010.3

A F T E R T A X E C O N O M I C S

AS OF DATE: 09/2000

PERIOD ENDING 12/2000 12/2001 12/2002 12/2003 12/2004 12/2005 12/2006 12/2007 6.9 YR TOTAL

TAX TREATMENT OF INVESTMENTS, M\$

1) EXP, RISK & CAP INT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2) DEPLETABLE	962.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	962.6
3) DEPRECIABLE	240.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-33.0	207.7

TAX CALCULATIONS, M\$

4) GROSS REV. TO INTR.	25.9	118.5	70.9	47.7	35.7	29.4	24.2	12.6	364.8
5) - SEVERANCE TAX	1.9	8.7	5.2	3.5	2.6	2.2	1.8	0.9	26.7
6) - OPR. COSTS & ATX	6.5	19.4	19.3	19.3	19.3	19.2	19.2	11.2	133.5
7) - NPI PAID	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8) + NPI OWNED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9) - OVERHEAD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10) - EXPENSED INV.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11) - DEPRECIATION	72.2	50.5	35.4	24.8	17.3	12.1	8.5	19.8	240.7
12) = NET	-54.7	39.9	11.0	0.1	-3.5	-4.2	-5.3	-19.4	-36.1
13) - DEPLETION TAKEN	64.3	266.6	186.4	135.8	106.9	88.2	75.1	39.2	962.6
14) - INTEREST PD & CAP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
15) = TAXABLE	-119.1	-226.8	-175.3	-135.6	-110.4	-92.4	-80.5	-58.6	-998.7
16) * TAX RATE, %	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0
17) - TAX CREDIT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18) = F.I.T.	-40.5	-77.1	-59.6	-46.1	-37.6	-31.4	-27.4	-19.9	-339.6

19) REVENUE-SEV	24.0	109.8	65.7	44.2	33.1	27.2	22.4	11.6	338.1
20) - OPR. COSTS & ATX	6.5	19.4	19.3	19.3	19.3	19.2	19.2	11.2	133.5
21) - NPI PAID	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
22) + NPI OWNED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23) - F.I.T.	-40.5	-77.1	-59.6	-46.1	-37.6	-31.4	-27.4	-19.9	-339.6
24) = A.F.I.T.	58.0	167.5	106.0	71.0	51.4	39.4	30.5	20.3	544.2
25) - LOAN REPAYMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26) - INTEREST PAID	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27) = NET INCOME	58.0	167.5	106.0	71.0	51.4	39.4	30.5	20.3	544.2
28) - INVESTMENTS & RSK	1203.3	0.0	0.0	0.0	0.0	0.0	0.0	-33.0	1170.3
29) = A.F.I.T. NET	-1145.3	167.5	106.0	71.0	51.4	39.4	30.5	53.3	-626.1

PRESENT WORTH @ 10.00 %

30) NET INCOME	57.1	154.7	89.0	54.2	35.6	24.8	17.5	10.8	443.8
31) INVESTMENTS & RISK	1203.3	0.0	0.0	0.0	0.0	0.0	0.0	-17.2	1186.1
32) A.F.I.T. NET	-1146.2	154.7	89.0	54.2	35.6	24.8	17.5	28.0	-742.3
33) CUM. A.F.I.T. NET	-1146.2	-991.5	-902.5	-848.3	-812.6	-787.8	-770.3	-742.3	-742.3

James Ranch U #27
 Los Medanos (A , Spring)

DATE : 03/13/2001
 TIME : 15:08:36
 DES : INDWELLS
 SETTINGS : SETDATA
 SCENARIO : cd

E C O N O M I C I N D I C A T O R S

AS OF DATE: 09/2000

	B.F.I.T. WORTH M\$-----	A.F.I.T. WORTH M\$-----	A.F.I.T. BONUS M\$-----
0.	-965.705	-626.146	-948.705
5.	-990.676	-691.102	-988.495
10.	-1010.264	-742.251	-1016.348
15.	-1025.984	-783.335	-1036.763
20.	-1038.855	-816.926	-1052.289
25.	-1049.581	-844.826	-1064.464
30.	-1058.659	-868.327	-1074.259
35.	-1066.447	-888.373	-1082.310
40.	-1073.208	-905.665	-1089.053
50.	-1084.391	-933.973	-1099.739
60.	-1093.292	-956.182	-1107.870
70.	-1100.571	-974.096	-1114.304
80.	-1106.655	-988.875	-1119.551
90.	-1111.829	-1001.297	-1123.933
100.	-1116.293	-1011.902	-1127.662

PRESENT WORTH PROFILE AND
 RATE-OF-RETURN VS. BONUS TABLE

RATE OF RETURN, PCT.	0.0	0.0
UNDISCOUNTED PAYOUT, YRS.	6.92	6.92
DISCOUNTED PAYOUT, YRS.	6.92	6.92
UNDISCOUNTED NET/INVEST.	0.17	0.46
DISCOUNTED NET/INVEST.	0.15	0.37

NOTES
