

North East Shoe Bar- Strawn Pool
Lea County, New Mexico

Key Pressure Data Points

<u>Chambers 1-7:</u>	Initial Pressure = 4,223 psia from DST	dated 11/9/96
<u>Alston 1-8:</u>	Initial Pressure = 3,472 psia from DST	dated 4/22/97
<u>Runnels 1-8:</u>	Initial Pressure = 3,300 psia from well test	dated 3/15/98
<u>Little 1-6:</u>	Initial Pressure = 4,228 psia from DST	dated 7/4/97
<u>Watson 1-6:</u>	initial Pressure = 3,727 psia from DST	dated 12/2/97
<u>Lovington 1-5:</u>	Initial Pressure = 4,300 psia from well test	dated 12/29/96
<u>Bus Barn 1Y-4:</u>	Initial Pressure = 3,900 psia from well test	dated 9/17/97

Volumetric Review of Area

	Net Pay	Average	Average	EUR	ROIP	Drainage
Well	Feet	Porosity	Sw	MBO	STB/Acre	Area, Acres
Alston 1-8	50	8.3 %	17.8 %	318	3,175	100
Chambers 1-7	106	9.1 %	19.9 %	550	5,801	94
Runnels 1-8	19	7.6 %	28.7 %	25	809	31
Little 1-6	40	8.1 %	31.8 %	175	1,659	105
Lovington 1-5	120	8.2 %	19.2 %	615	5,969	103
Bus-Barn	80	8.2 %	20 %	395	4,044	97
Average						88.3

Above table and calculations are based on average reservoir fluid parameters of:

Gas-Oil Ratio: 1,200 SCF/STB

Oil Gravity: 42° API

Formation Volume Factor @ 4,200 psia = 1.55 RB/STB

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 11750 Exhibit No. **2**
Submitted By:
Chesapeake Inc.
Hearing Date: March 4, 1999

2 MARCH 1999 Randy Gassaway