

Culpepper Martin Reservoir Model

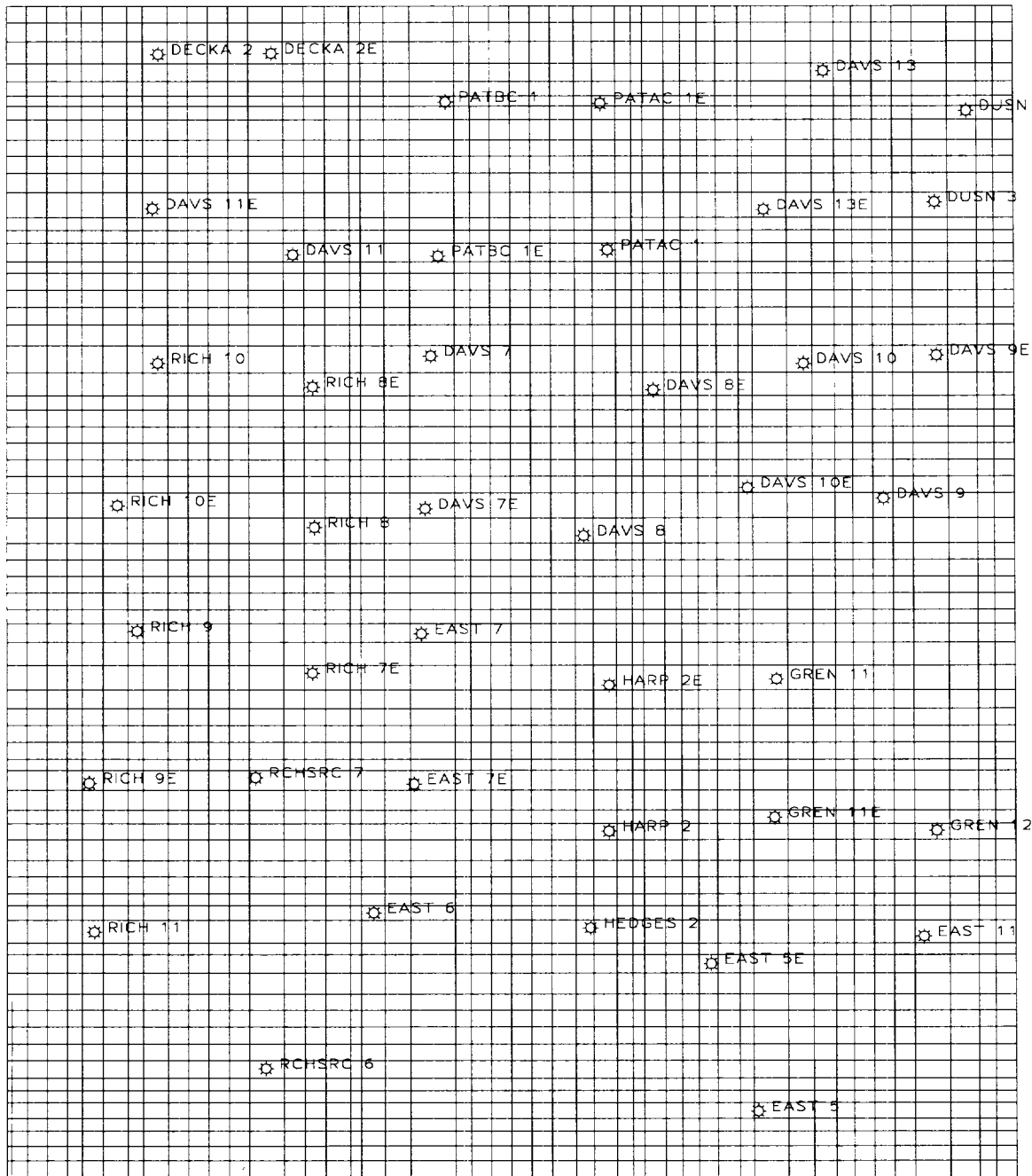
- 3 Layer, Dual Porosity Model
 - Two Wells
 - Paguate
 - Cubero
- 47 x 68 x 3 grid
 - 7700 Acres
 - 42 Existing Wells
 - 6 Increased Density Wells

Culpepper Martin Reservoir

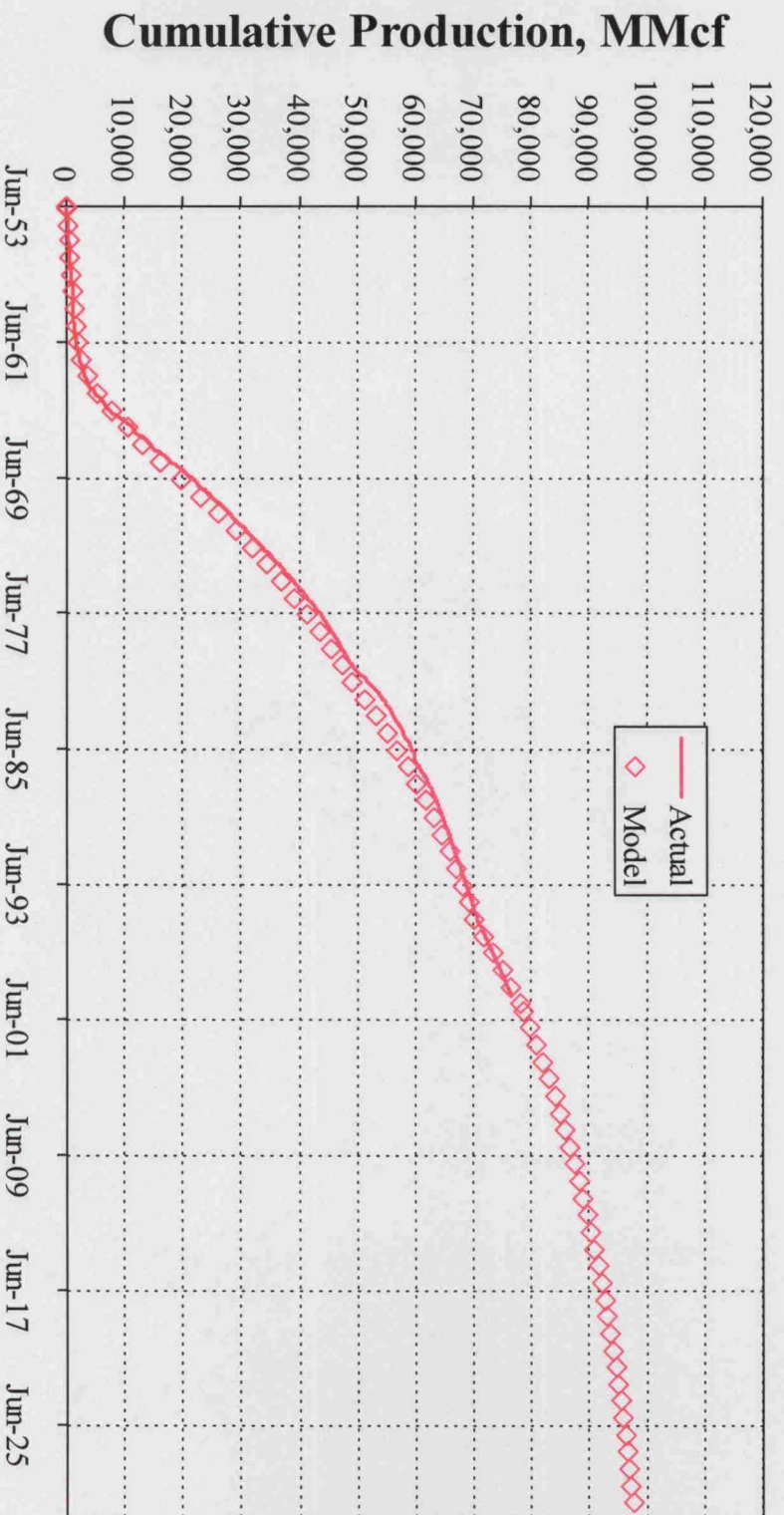
Simulation Inputs

- Porosity, Thickness, and Water Saturation Maps Input into Simulator
 - Two Wells
 - 9% Porosity, 63% S_w , 7' Thickness
 - Paguate
 - 8% Porosity, 35% S_w , 14' Thickness
 - Cubero
 - 9% Porosity, 40% S_w , 7' Thickness
- Initial Pressure of 2500 psi

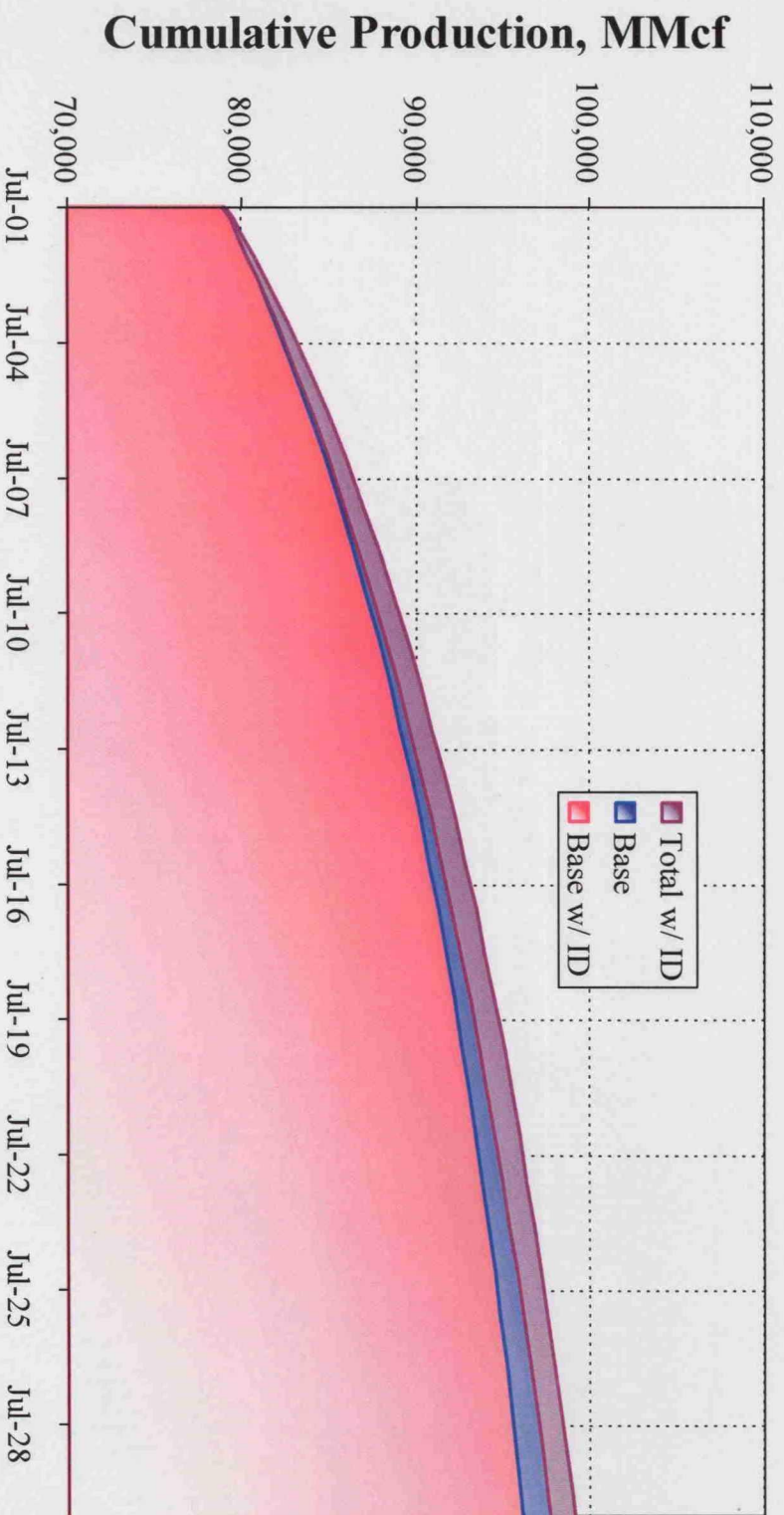
Culpepper Simulation Grid



Culpepper Martin History Match and Base Projection

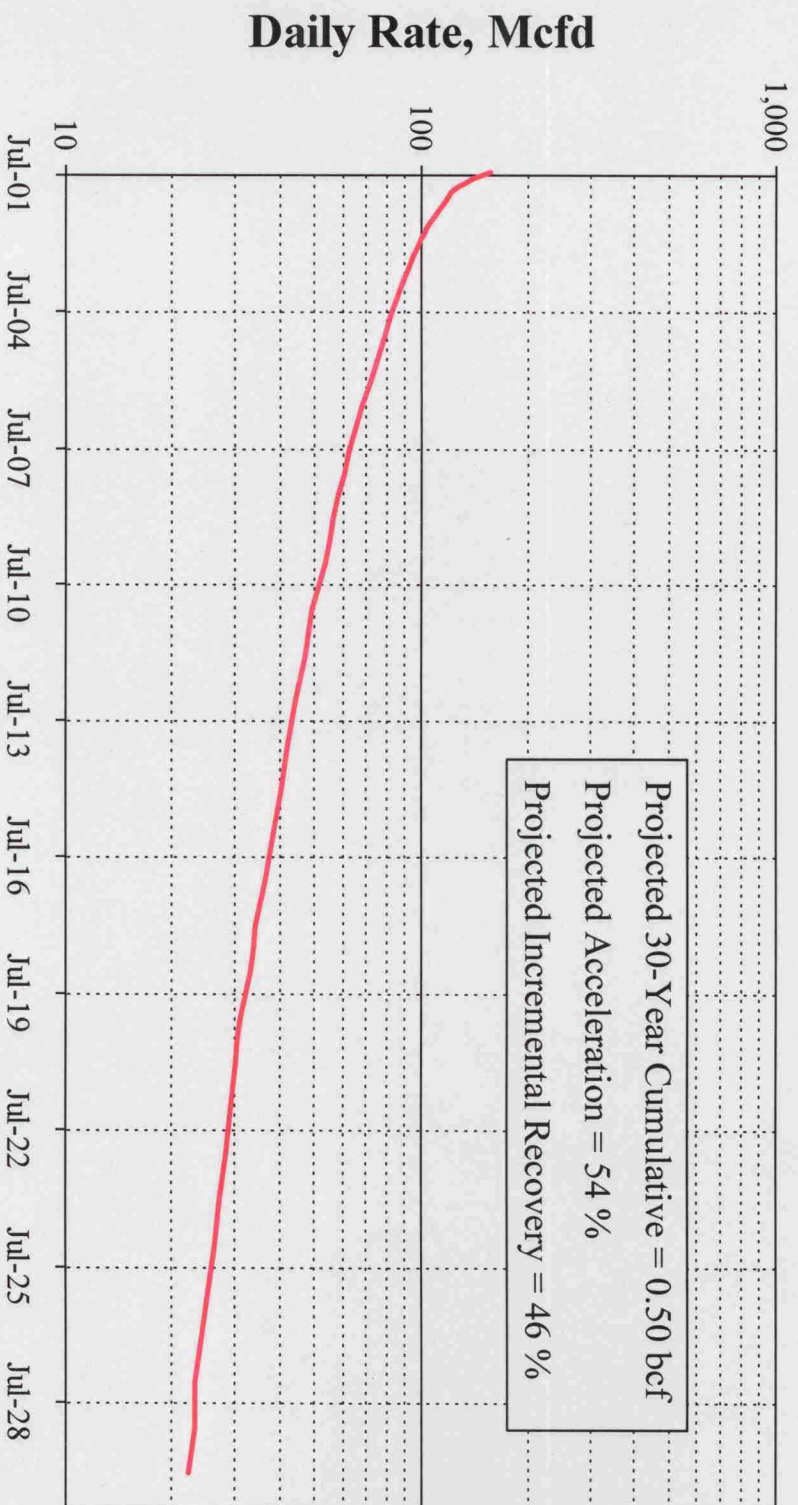


Culpepper Martin Increased Density Recovery Profile



99.2 Bcf
97.8 Bcf
96.2 Bcf

Culpepper Martin Individual Well Projection



Culpepper Martin Increased Density

Economics

<u>Assumptions</u>	<u>Results</u>
• \$525M Well Cost – \$394M Intangible – \$131M Tangible • \$700/month Op Cost • \$3.00/Mcf Gas, \$30.00/Bbl Oil – No Escalation	• 10% RoR • 0.01 P/I • 6.9 yr payout • \$1.40/Mcfe CTA