

PEOPLES STATE 32-1
WOLFCAMP, LEA COUNTY, NEW MEXICO
RESULTS OF PRESSURE BUILDUP TESTS

<u>Date</u>	<u>Cum Oil Produced (BO)</u>	<u>Shut-In Time (hrs.)</u>	<u>Method of Measurement</u>	<u>Highest Pressure Recorded (psia)</u>	<u>Calculated* Reservoir Pressure</u>
3-8-85	10	1	Drill Stem Test	5620	5632
4-25-85	9,877	67	Bottom Hole - Pressure Bomb	4177	4770
6-20-85	26,939	71	Bottom Hole - Pressure Bomb	2780	3160

* Reservoir Pressure Determined by Horner Method

EXHIBIT 2

SEC

10

8676

MATERIAL BALANCE CALCULATION OF ORIGINAL OIL IN PLACE

<u>Date</u>	<u>Cum. Oil (bbls.)</u>	<u>p (psia)</u>	<u>Bo</u>	<u>pi-p</u>
3-8-85	10	5632	1.519	0
4-25-85	9877	4770	1.523	862
6-20-85	26,939	3160	1.537	2472

OOIP (4-25 data)

$$N = \frac{9877 (1.523)}{1.523 - 1.519 (1 - 7.5 (10^{-6}) (862))}$$

$$N = 1,088,444 \text{ bbls}$$

OOIP (6-20 data)

$$N = \frac{26,939 (1.537)}{1.537 - 1.519 (1 - 7.5 (10^{-6}) (2472))}$$

$$N = 896,950 \text{ bbls}$$

Average = 992,697 bbls Original Oil in Place