

ARMSTRONG ENERGY CORPORATION

NORTHEAST LEA DELAWARE POOL

DE NOVO HEARING

**SPECIAL POOL RULES CASE # 10653
POOL EXTENSION AND ABOLISHMENT CASE # 10773**

ENGINEERING DATA

JANUARY 13, 1994

EXHIBIT NO. 10

**PECOS PETROLEUM ENGINEERING, INC.
ROSWELL, NEW MEXICO**

**ARMSTRONG ENERGY CORPORATION
NORTHEAST LEA DELAWARE FIELD
HEARING FOR SPECIAL POOL RULES CASE # 10653
POOL EXTENSION AND ABOLISHMENT CASE # 10773**

JANUARY 13, 1994

The Delaware Mountain Group (Bell Canyon, Cherry Canyon and Brushy Canyon) has generally been classified as one common source of supply, subject to the standard 40 acre spacing pattern, standard depth bracket allowable (5000' to 5999'; 107 BOPD) and standard 2000 to 1 GOR limit. Development of the Northeast Lea Delaware Field and the Quail Ridge Delaware Field has shown these Delaware pools contain a multitude of separate reservoirs extending over both fields.

The Northeast Lea Delaware and Quail Ridge Delaware fields, as presented in Exhibit B, has twenty-four (24) producing wells and two (2) wells being completed. The list includes all Delaware Wells within a one mile radius of the Mobil Lea State wells and all other wells in the two fields.

The First Sand, as identified on the type log, Exhibit C, from the Mobil Lea State #2, from 5520' to 5706', is productive or potentially productive in all wells in both pools except the West Pearl State #1 and the Mescalero Ridge Unit #3. The first sand is the main pay in the Quail Ridge Field with the Mark Federal #1, 2, 3, 5 & 6, the North Lea Federal # 4, 5, 6, 7, 8 & 9, and the Snow Oil & Gas Company wells producing from this interval. The Armstrong Mobil Lea State #1, 2, 3 and 4 and West Pearl State #2 have good shows and log response from this interval and should be productive from the First Sand. The Mid Continent Energy, Inc. Mobil State #1 has produced approximately 76,000 barrels of oil from the first sand interval in the Northeast Lea Delaware Field.

The First Sand has produced over 500,000 barrels of oil to date from the Quail Ridge and Northeast Lea Pools and the daily production is in excess of 700 BOPD. This sand indicates it may have a strong water drive as evidenced by constant GOR's and flat production curves. A definite oil-water contact has not been established in the first sand, but water saturations gradually increase to 60% at -2043 in the North Lea Federal #1-Y in the SE/4 of section 10. This sand can be seen on logs of wells located in Sections 11, 15 and 14, indicating a large water leg in relation to the oil column. No gas cap is present, indicating the reservoir is undersaturated and above bubble point.

The oil column of the first sand covers the SE/SE/4 of Section 4, NE/NE/4 Section 9, N/2 Section 10, N/2S/2 Section 10, S/2 Section 3, SE/4 Section 2, NW/NW/4 Section 11, NW/SE/4 section 2 and SW/NE/4 section 2. This area totals approximately 1200 acres. The productive

area of the First Sand covers approximately three times the area of the Third Sand.

The Second Sand from 5745' to 5840', as identified on the type log, Exhibit C, from the Mobil Lea State #2 log, has good porosity and shows, but has been determined to be wet over this area by tests in the West Pearl State #2 and Mark Federal #5 and #8. This interval produces in the Pennzoil Mescalero Ridge Unit #3, but is an equivalent limestone zone. The Mescalero Ridge Unit #3 has produced 26,000 BO.

The Third Sand from 5870' to 6048' as indicated on the type log, Exhibit C, from the Mobil Lea State #2 log, is the main pay in the Northeast Lea Field and the North Lea Federal #6 and #10 and the Mark Federal #4 produce from this zone in the Quail Ridge Field. The North Lea Federal #5 and #8 produce from a limestone which is equivalent to the Third Sand. An oil-water contact, Exhibit G, has been established in the third sand, at -2269' water saturations start to increase and at -2275' the saturations are over 60% and the zone is considered wet. No gas cap is present, indicating the reservoir is undersaturated and above bubble point. The reservoir dips to the South or Southeast at approximately 2 to 2.5 degrees.

The Third Sand has produced over 234,000 barrels of oil to date from both pools and the daily production is in excess of 750 BOPD. This zone is believed to have a strong water drive as evidenced by constant GOR's, stable BHP, flat production rates and Material Balance Analysis. Evidence of this sand can be seen in logs in Section 11, SE/4 of Section 10 and NE/4 of Section 15, indicating an extensive water leg.

The Third Sand produces in N/2/NE/4 Section 10, E/2/NE/4 Section 10, SE/SE/4 Section 3, SW/4 Section 2, SW/NE/4 Section 2 and NE/NE/4 Section 2. This area totals approximately 400 acres. The Third Sand reservoir covers approximately one third the area the First Sand covers.

A Fourth Sand produces in two wells, the North Lea Federal #5 and the SCJ Federal #1. This zone has not been a significant producer in these fields.

Therefore, there are two main sources of supply in the Quail Ridge and Northeast Lea fields. The First and Third Sands are the main pay zones and they are separated by the Second Sand, which is wet. There are three other zones which make a minor contribution to production in these fields, the Second Sand lime equivalent, the Third Sand Lime equivalent and the Fourth Sand.

The First and Third Sands in the Northeast Lea and Quail Ridge Delaware fields are somewhat unique among Delaware Reservoirs. Most Delaware Sand reservoirs produce by solution gas drive with minor contributions from water influx. As can be seen in the production decline curves in Exhibit D, the typical well has a high initial production rate with a steep decline for the first year. This is flush production generated by the initial stimulation procedure with the primary energy coming from reservoir fluid and rock compressibility. After the flush production is expended and the decline rate moderates bubble point is reached and gas-oil ratios increase. A moderate decline rate is observed for approximately two years, which is related to linear flow around the induced fracture. After producing for a total of three years production stabilizes at

a low decline rate for the remaining life of the well, this period occurs when the zone is producing under radial flow conditions.

The good wells producing from the Quail Ridge and Northeast Lea Delaware fields do not exhibit a typical Delaware production decline. The edge wells, with lower permeability, less net pay and less influx of water do exhibit typical production curves. As can be seen in Exhibit E, the good wells exhibit constant producing rates, low GOR's (with little or no increase), high fluid levels and steady water production. Using the Material Balance Equation to account for compressibility, fluid removal, and gas expansion it becomes evident that a strong water drive is present, which causes constant producing rates, maintains the reservoir pressure above bubble point and consequently keeps gas in solution.

Because of the high quality of the pay in the First and Third sands, almost every well completed in either or both sands is capable of producing at top allowable for an extended period of time. The North Lea Federal #5, 6, 7, & 8, Mark Federal #1, 2, 4 & 6 and Mobil Lea State #1, 2 & 3 all produce at top allowable. The North Lea Federal #4 produced at top allowable until January 1993, when a casing leak was discovered and subsequently squeezed, resulting in a 30 BOPD drop in production. The Mobil Lea State wells, which are completed only in the Third Sand, are capable of producing in excess of 300 BOPD as indicated by production tests and reservoir calculations.

Water production in the Northeast Lea and Quail Ridge fields has been characterized by stable rates and in some wells a decrease in water cut. The Mobil Lea State #1 had a initial water cut of 15% and after a year of production the cut is 10%. The Mobil Lea State #2 had an initial cut of 10 % water and presently has a 7% cut. During production tests as high as 300 BOPD no increases were seen in the water cuts. We attribute this to the laminated nature of the Delaware with thin shale beds dispersed throughout the sand body creating barriers to vertical permeability. Therefore, water influx will be from the edge and efficiently displace the oil. The reduction of water cut seen in some wells can be attributed to reduction of mobile water down to the irreducible water saturation.

Water production in the Quail Ridge Field has exhibited similar production traits. The North Lea Federal #4 had an initial water cut of 20% and now has a 3% cut. The mark Federal #1 & 2 have exhibited constant water cuts of 28% and 7 % respectfully. A few wells have shown increases in water cut, but most of this can be attributed to opening additional pay and stimulation treatments which went out of zone.

With the presence of a strong water drive the displacement of the oil by the water is important. The calculated mobility ratio, using Exhibits H and I, between the oil and water is 1.78. This indicates the oil has a tendency to move through the formation almost twice as easily as the water, at the present oil saturation of 45%. Therefore, the oil should be efficiently displaced by the water influx. The Mobility Ratio was derived by determining the mobility of the oil by dividing the percentage permeability to oil at 45% water saturation, 45%, divided by the viscosity of the oil, 1.4 cp. The same calculation was performed to determine the mobility of the water phase. The permeability to water at 45% water saturation is 18% and the viscosity of formation water is 1.004 cp. this results in $.45/1.4$ divided by $.18/1.004$, which results in the

mobility ratio of 1.78.

The conclusion we arrived at is, water influx will be from the edge of the reservoir. A bottom water drive and the problems associated with coning should not be a major factor in producing these reservoirs because of the laminated nature of the Delaware and the resulting reduction of vertical permeability. Water rates should not increase until the water influx cusps into the producing wells.

The Gas-Oil Ratio exhibited by wells producing from the First and Third sand in the Northeast Lea and Quail Ridge Delaware Fields has been constant at approximately 400 cu. ft./bbl. The Mobil Lea State #1 & 2 started producing with a GOR of 300 cu.ft./bbl. and in May 1993 the producing method was changed and the GOR increased to 400 cu.ft./bbl. Since May the GOR has been constant. The wells in the Quail Ridge Field have had constant GOR's of approximately 400 cu.ft./bbl., with slight increases to almost 500 cu.ft./bbl.

The constant GOR is indicative of high bottom hole pressure which keeps the reservoir pressure above the bubble point and does not allow any free gas to form in the reservoir. The wells which have indicated modest increases in GOR, for example the Mark Federal # 2 had an initial GOR of 280 and has increased to 400 and the North Lea Federal #4 had an initial GOR of 350 and has increased to 490. These increases may indicate the bottom hole pressure is at the bubble point close to the wellbores of these wells. There are now two rows of producers between these wells and the influx of water from the South, indicating a possible draw down of pressure in the Northwest quadrant of the First Sand Reservoir.

The initial bottom hole pressure in the First and Third Sands was estimated from Drill Stem Test Data, Exhibit L. The pressure gradient is calculated to be .43 psi/ft., which indicates a Bottom Hole Pressure of 2539 psi in the Mobil Lea State #1. Bottom hole producing pressures have been calculated from fluid levels measured during the past year, Exhibit M. Fluid levels indicate that the bottom hole producing pressures never reached the bubble point pressure of 1200 psi, even with rates as high as 300 BOPD. This is substantiated by the GOR data indicating constant GOR's. The subsequent reduction in producing rates since July 1993, has allowed the reservoir to repressure and now fluid levels are at the surface, this indicates the producing bottom hole pressure is now over 1800 psi at a producing rate of 126 BOPD. And if allowed to the Mobil Lea State #1 & 2 will flow at rates of 30 to 50 barrels per hour. This is another strong indication of water influx maintaining reservoir pressure.

The productivity index was calculated for the Mobil Lea State #1, This calculation can be examined in Exhibit N. The calculation indicates this well is capable of making of 1000 BOPD under a pumped off condition. Permeability of this reservoir is approximately 12 md. These calculations indicate these wells are capable of high production rates and at a production rate of 300 BOPD the well is producing at approximately 30% of it's capacity. This is why the reservoir has remained above bubble point, because of it's ability to transmit fluids and the influx of water.

To make later calculations using the Material Balance Equation, a volume of oil-in-place was calculated using Volumetric Analysis, Exhibit U. The assumed area was 400 acres, the average

net height was 40 feet, the average porosity is 20%, the average water saturation is 45% and the oil formation volume factor is 1.24. The resulting calculation indicates there is 11,011,000 barrels of oil in place in the third sand reservoir.

Using the Material Balance Equation for initially undersaturated oil reservoirs, with an active water drive, above bubble point, Exhibit V, we can estimate the volume of reserves recoverable from each drive mechanism. Exhibit W is a graph indicating oil recovery due to compressibility of the reservoir system as the bottom hole pressure is reduced to the bubble point. This calculation indicates approximately 240,000 BO would be recovered by the reduction of reservoir pressure to the bubble point. Exhibit X is an estimation of the present status of the reservoir, with approximately a 300 psi reduction in average reservoir pressure and at the present recovery of 234,000 Bo an approximate water influx of 270,000 BW and recovery due to compressibility of 56,000 BO. Exhibit Y indicates the recoveries related to a draw down of pressure to the bubble point, oil recovered due to compressibility of the reservoir system would be approximately 240,00 BO and any additional oil recovered would be due to water influx.

Because of the strong water drive and the resulting high bottom hole producing pressures, oil in the updip part of the reservoir on the opposite side of the wells from the water influx is essentially trapped and no mechanism is available to move these reserves from their present position to a producing well. This is attributable to the laminated nature of the reservoir and the reduction of vertical permeability eliminating a bottom water drive and the high bottom hole producing pressures limiting the expansion of the reservoir fluids due to compressibility. Of the 240,000 BO which could be recovered due to expansion of reservoir fluids over half, 120,000 BO, would come from the updip part of the reservoir opposite the water influx and from the area between wells where the water influx cusps toward the producers.

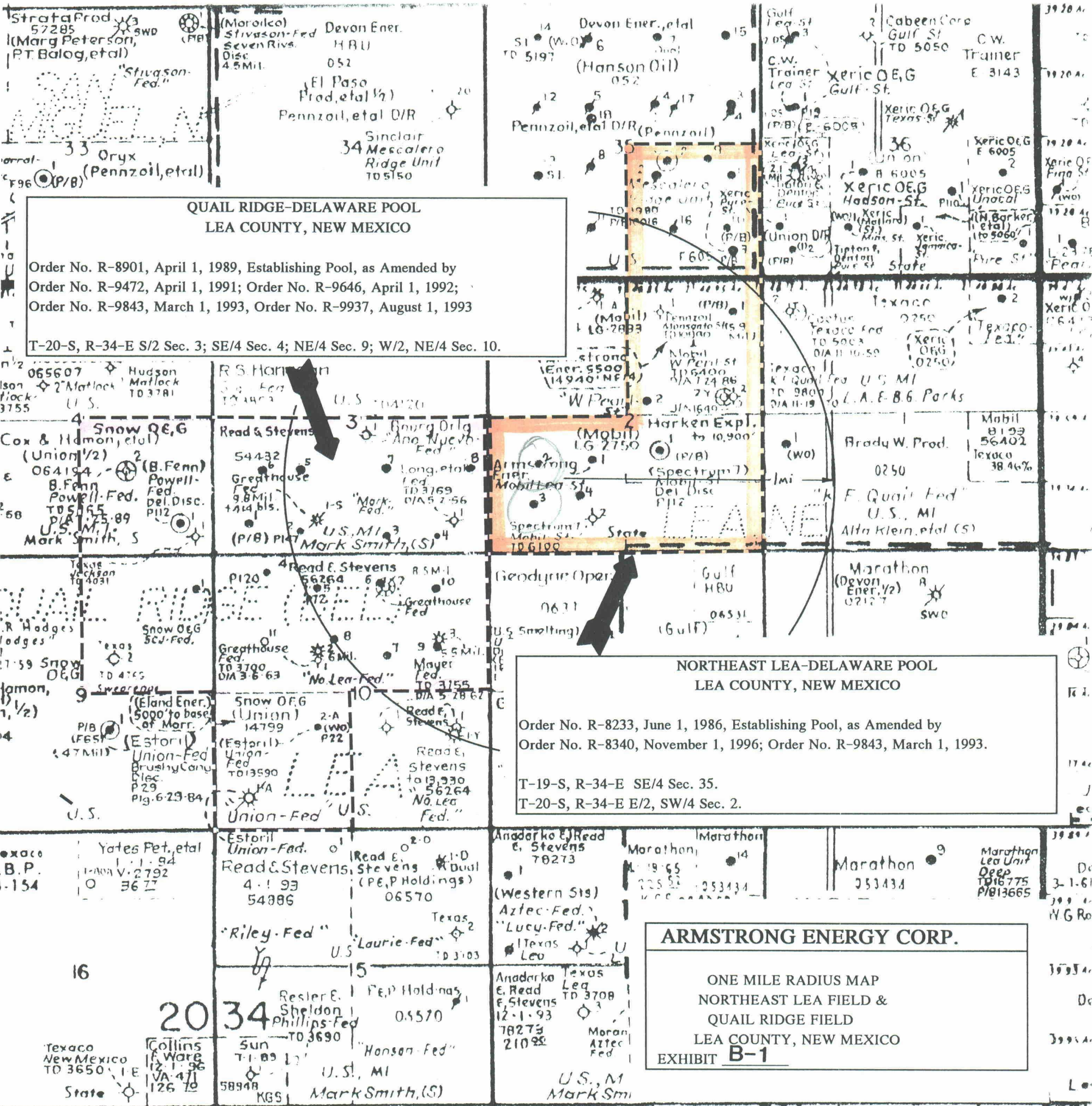
After the reservoir is brought to bubble point pressure any further reduction in pressure would liberate free gas from solution. This process would be advantageous to recovery of additional reserves in the updip part of the reservoir and areas between wells not swept by the water influx. A gas cap could be formed against the updip permeability pinchout which could efficiently displace reserves from the updip position. Further study will be needed to determine the effects of draw down below bubble point and the ultimate effects on recovery of oil reserves from this reservoir.

While data on the First Sand is not as complete as data on the Third Sand a qualitative assessment indicates that recoveries from the first sand reservoir could also be enhanced by reducing reservoir pressures and allowing expansion of reservoir fluids. Some early signs of the Northwest wells increasing the GOR indicate bottom hole pressures can be reduced now that there are three rows of wells between the North edge and the water influx to the South.

Correlative rights of all producers in these pools would be better served with a higher allowable. Because of the need for a combined effort to manage these reservoirs to maximize recovery, higher allowables would allow each operator to produce their wells at an optimum rate to optimize recovery. Under the present allowable system the operators can not manage their reservoirs to maximize recovery and in the case of Armstrong Energy the allowable is not sufficient to allow them to open all of the pay, the First Sand, which is being produced in offset

wells on both sides of their property.

We therefore respectfully request the abolishment of the Quail Ridge Delaware Pool and the expansion of the Northeast Lea Delaware Pool to include the area covered by the Quail Ridge Delaware Pool. Also, to allow the operators of wells in these fields to maximize recoveries of oil and gas we request allowable be increased to 300 BOPD.



**QUAIL RIDGE-DELAWARE POOL
LEA COUNTY, NEW MEXICO**

Order No. R-8901, April 1, 1989, Establishing Pool, as Amended by
Order No. R-9472, April 1, 1991; Order No. R-9646, April 1, 1992;
Order No. R-9843, March 1, 1993, Order No. R-9937, August 1, 1993

T-20-S, R-34-E S/2 Sec. 3; SE/4 Sec. 4; NE/4 Sec. 9; W/2, NE/4 Sec. 10.

**NORTHEAST LEA-DELAWARE POOL
LEA COUNTY, NEW MEXICO**

Order No. R-8233, June 1, 1986, Establishing Pool, as Amended by
Order No. R-8340, November 1, 1996; Order No. R-9843, March 1, 1993.

T-19-S, R-34-E SE/4 Sec. 35.
T-20-S, R-34-E E/2, SW/4 Sec. 2.

ARMSTRONG ENERGY CORP.


ONE MILE RADIUS MAP
NORTHEAST LEA FIELD &
QUAIL RIDGE FIELD
LEA COUNTY, NEW MEXICO
EXHIBIT **B-1**

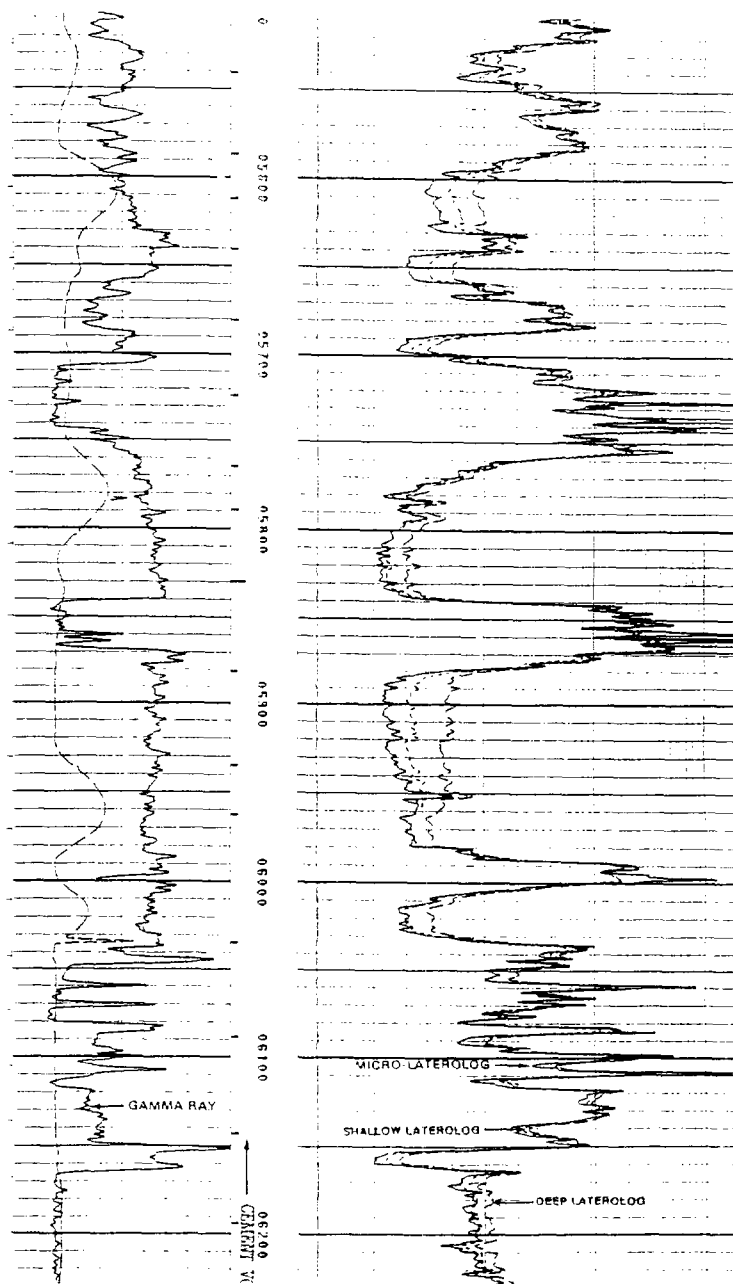
DELAWARE WELLS LOCATED IN THE NORTHEAST LEA FIELD AND QUAIL RIDGE FIELD

OPERATOR	WELL NAME	LOCATION	PERFORATIONS	
			UPPER	LOWER
MSTRONG ENERGY CORP.	MOBIL LEA ST. #1	K-2-T20S-R34E	5890	5930 3rd SAND
MSTRONG ENERGY CORP.	MOBIL LEA ST. #2	L-2-T20S-R34E	5890	5930 3rd SAND
MSTRONG ENERGY CORP.	MOBIL LEA ST. #3	M-2-T20S-R34E	5918	5946 3rd SAND
MSTRONG ENERGY CORP.	MOBIL LEA ST. #4	N-2-T20S-R34E		
MSTRONG ENERGY CORP.	W.PEARL ST. #1	A-2-T20S-R34E	5890	5910 3rd SAND
MSTRONG ENERGY CORP.	W.PEARL ST. #2	G-2-T20S-R34E	5928	5948 3rd SAND
			5744	5805 2nd SAND, WET
AD & STEVENS INC.	N. LEA FED. #4	D-10-T20S-R34E	5618	5651 1st SAND CASING LEAK 4059-4090
AD & STEVENS INC.	N. LEA FED. #5	C-10-T20S-R34E	6058	6078 4th SAND
			5910	5925 3rd SAND LIME EQUIVELENT
			5636	5668 1st SAND CASING LEAKS, 4393-4248 & 3892-4029
AD & STEVENS INC.	N. LEA FED. #6	B-10-T20S-R34E	5900	5920 3rd SAND
			5602	5656 1st SAND
			5514	5548 1st SAND
AD & STEVENS INC.	N. LEA FED. #7	G-10-T20S-R34E	5942	5962 3rd SAND, WET
			5620	5674 1st SAND
			5556	5592 1st SAND
AD & STEVENS INC.	N. LEA FED. #8	F-10-T20S-R34E	6184	6220 4th SAND, WET
			5934	5960 3rd SAND LIME EQUIVELENT
			5636	5660 1st SAND
AD & STEVENS INC.	N. LEA FED. #9	H-10-T20S-R34E	5892	5904 LIME, WET
			5610	5676 1st SAND
AD & STEVENS INC.	N. LEA FED. #10	A-10-T20S-R34E	5910	5930 3rd SAND
AD & STEVENS INC.	MARK FED. #1	M-3-T20S-R34E	5644	5664 1st SAND
AD & STEVENS INC.	MARK FED. #2	N-3-T20S-R34E	5610	5640 1st SAND
AD & STEVENS INC.	MARK FED. #3	O-3-T20S-R34E	5628	5680 1st SAND
			5534	5546 1st SAND
AD & STEVENS INC.	MARK FED. #4	P-3-T20S-R34E	5912	5922 3rd SAND
AD & STEVENS INC.	MARK FED. #5	K-3-T20S-R34E	5650	5670 1st SAND
AD & STEVENS INC.	MARK FED. #6	L-3-T20S-R34E	5652	5674 1st SAND
AD & STEVENS INC.	MARK FED. #8	I-3-T20S-R34E	6030	6038 4th SAND, WET
			5910	5986 3rd SAND, WET
			5698	5727 2nd SAND, WET
			5548	5572 1st SAND, WET

OPERATOR	WELL NAME	LOCATION	PERFORATIONS	
			UPPER	LOWER
PENNZOIL E & P CO.	MESCALERO RIDGE #3	P-35-T19S-R34E	5780	5805 2nd SAND LIME EQUIVELENT
MID-CONTINENT ENERGY	MOBIL ST #1	J-2-T20S-R34E	5625	5695 1st SAND
SPECTRUM 7 EXPL.	MOBIL STATE #2	N-2-T20S-R34E	5698	5716 1st SAND P/A, -2081'
SNOW OIL & GAS INC.	FED. SCJ #1	A-9-T20S-R34E	5662	5682 1st SAND
			6075	6100 4th SAND
SNOW OIL & GAS INC.	POWELL FED. #1	P-4-T20S-R34E	5658	5674 1st SAND
SNOW OIL & GAS INC.	UNION "A" FED. #2	K-10-T20S-R34E	5660	5690 1st SAND

TYPICAL LOG
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

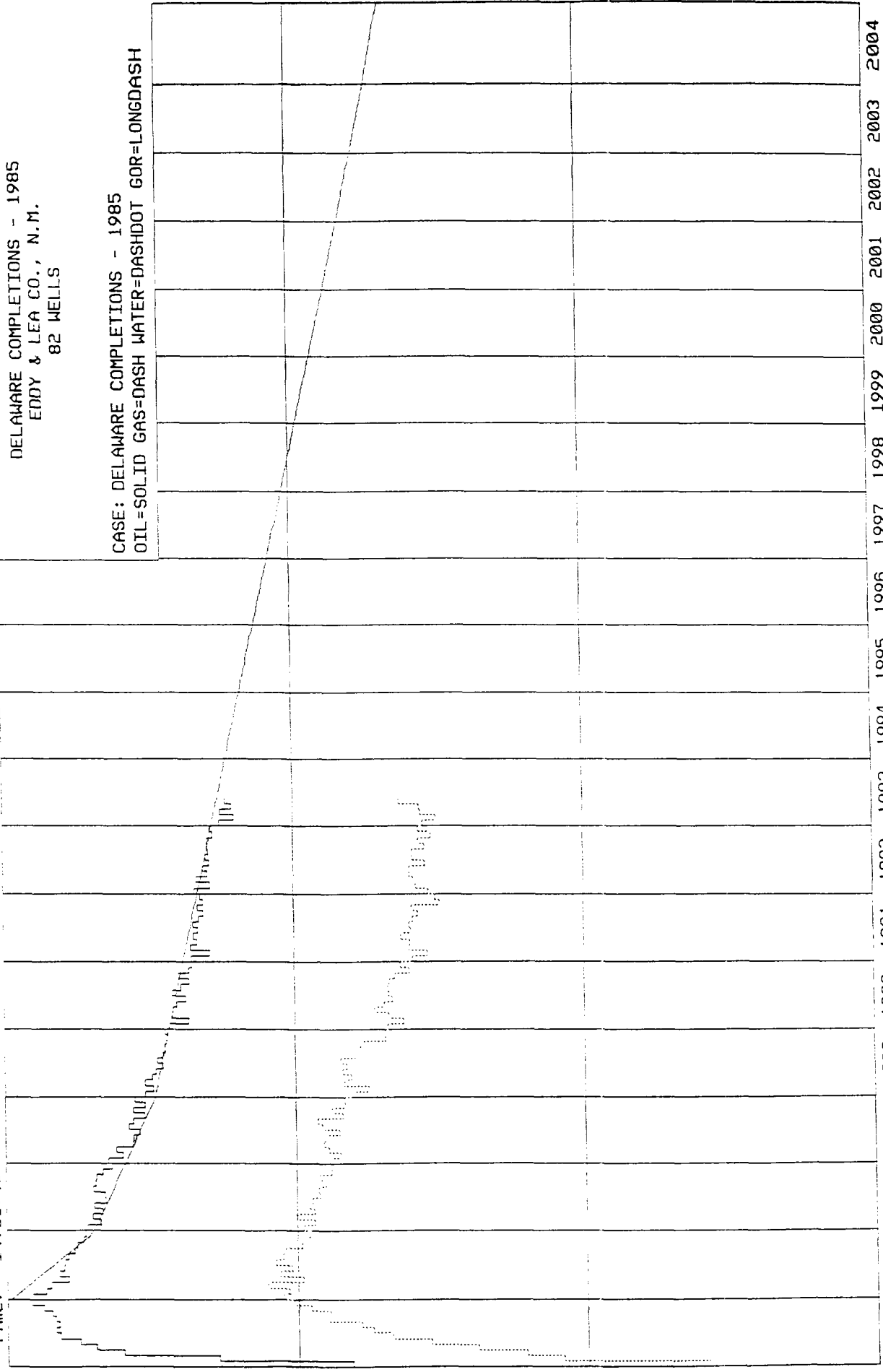
	ATLAS WIRELINE SERVICES	COMPENSATED 2-DENS/11.0G COMPENSATED NEUTRON GAMMA RAY & CALIPER
FILE NO. 2081 OFF. NO.	COMPANY ARMS/IRONG ENERGY CORPORATION WELL MOBIL LEA STAFF NO. 2 FIELD N.E. LEA DELMARRE	COUNTRY LFA STATE N.M. MEXICO
FINAL PRINT	SECTION 1 140' TO 150' DEEP	LOCATION 140' TO 150' DEEP 140' TO 150' DEEP 140' TO 150' DEEP
IN RETURN BY OTHER FOR, PREPARED BY DATE	COMPANY ARMS/IRONG ENERGY CORPORATION 140' TO 150' DEEP	140' TO 150' DEEP 140' TO 150' DEEP 140' TO 150' DEEP
FOR DATE BY FOR DATE BY	140' TO 150' DEEP 140' TO 150' DEEP 140' TO 150' DEEP	140' TO 150' DEEP 140' TO 150' DEEP 140' TO 150' DEEP
FOR DATE BY FOR DATE BY	140' TO 150' DEEP 140' TO 150' DEEP 140' TO 150' DEEP	140' TO 150' DEEP 140' TO 150' DEEP 140' TO 150' DEEP
FOR DATE BY FOR DATE BY	140' TO 150' DEEP 140' TO 150' DEEP 140' TO 150' DEEP	140' TO 150' DEEP 140' TO 150' DEEP 140' TO 150' DEEP



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Get#: 7

PRODUCTION HISTORY

Date: 10/15/93
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DELAWARE COMPLETIONS - 1985
EDDY & LEA CO., N.M.
82 WELLS

CASE: DELAWARE COMPLETIONS - 1985
OIL=SOLID GAS=DASH WATER=DASHDOT GOR=LONGDASH

1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004
CUMULATIVE OIL (BBL) = 3655405.

CUMULATIVE GAS (MCF) = 6203096.

YEARS

PRODUCTION HISTORY

DELAWARE COMPLETIONS - 1986
 EDDY & LEA CO., N.M.
 53 WELLS

CASE: DELAWARE COMPLETIONS - 1986
 OIL=SOLID GAS=DASH WATER=DASHDOT GOR=LONGDASH



1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005
 CUMULATIVE OIL (BBL) = 1562171.
 CUMULATIVE GAS (MCF) = 2640391.

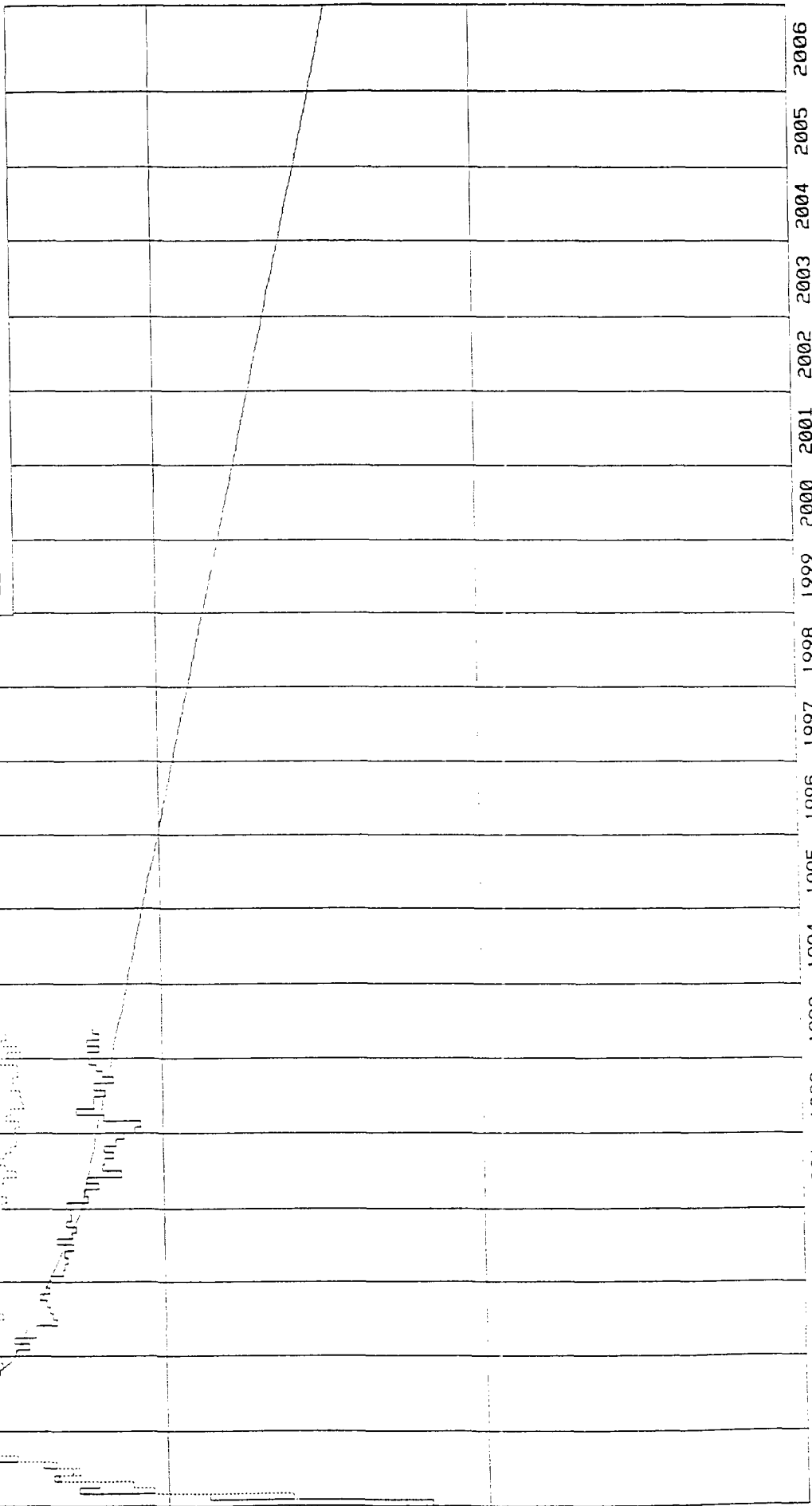
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PRODUCTION HISTORY

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Get#: 1

DELAWARE COMPLETIONS - 1987
EDDY & LEA CO., N.M.
43 WELLS

CASE: DELAWARE COMPLETIONS - 1987
OIL=SOLID GAS=DASH WATER=DASHDOT GOR=LONGDASH



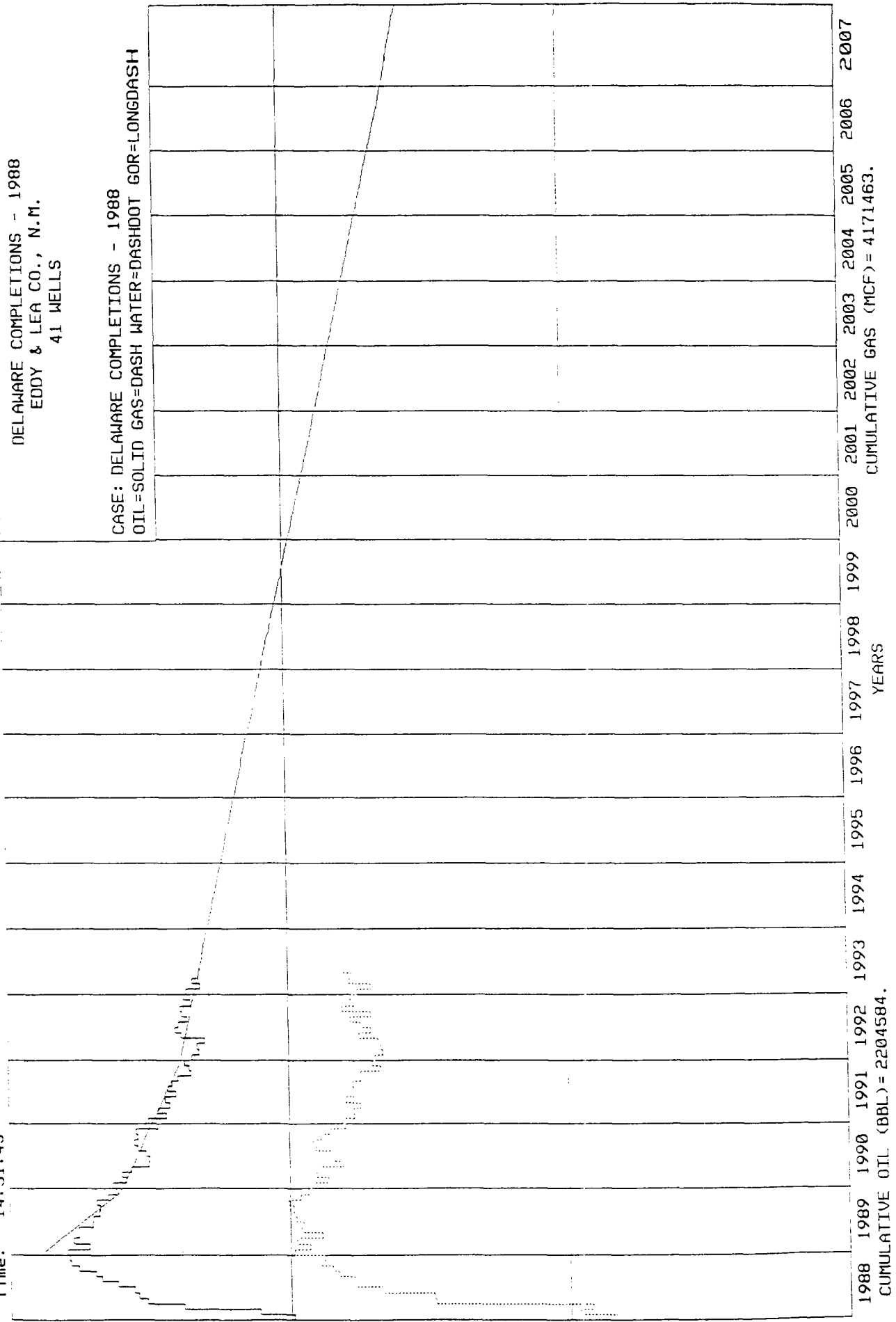
1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006
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CUMULATIVE GAS (MCF) = 2777597.

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PRODUCTION HISTORY

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Time: 14:31:43



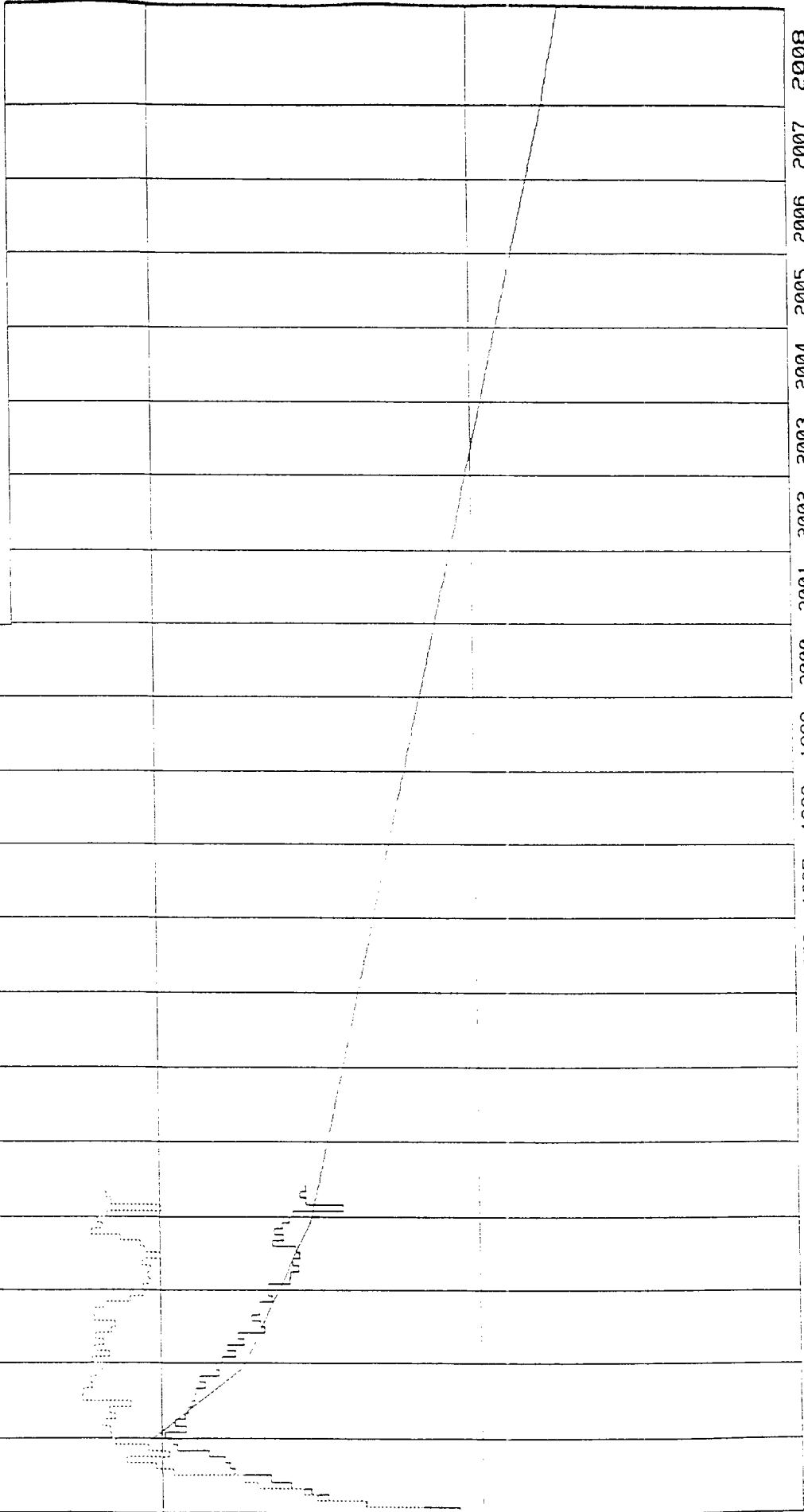
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PRODUCTION HISTORY

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DELAWARE COMPLETIONS - 1989
 EDDY & LEA CO., N.M.
 68 WELLS

CASE: DELAWARE COMPLETIONS - 1989
 OIL=SOLID GAS=DASH WATER=DASHDOT GOR=LONGDASH



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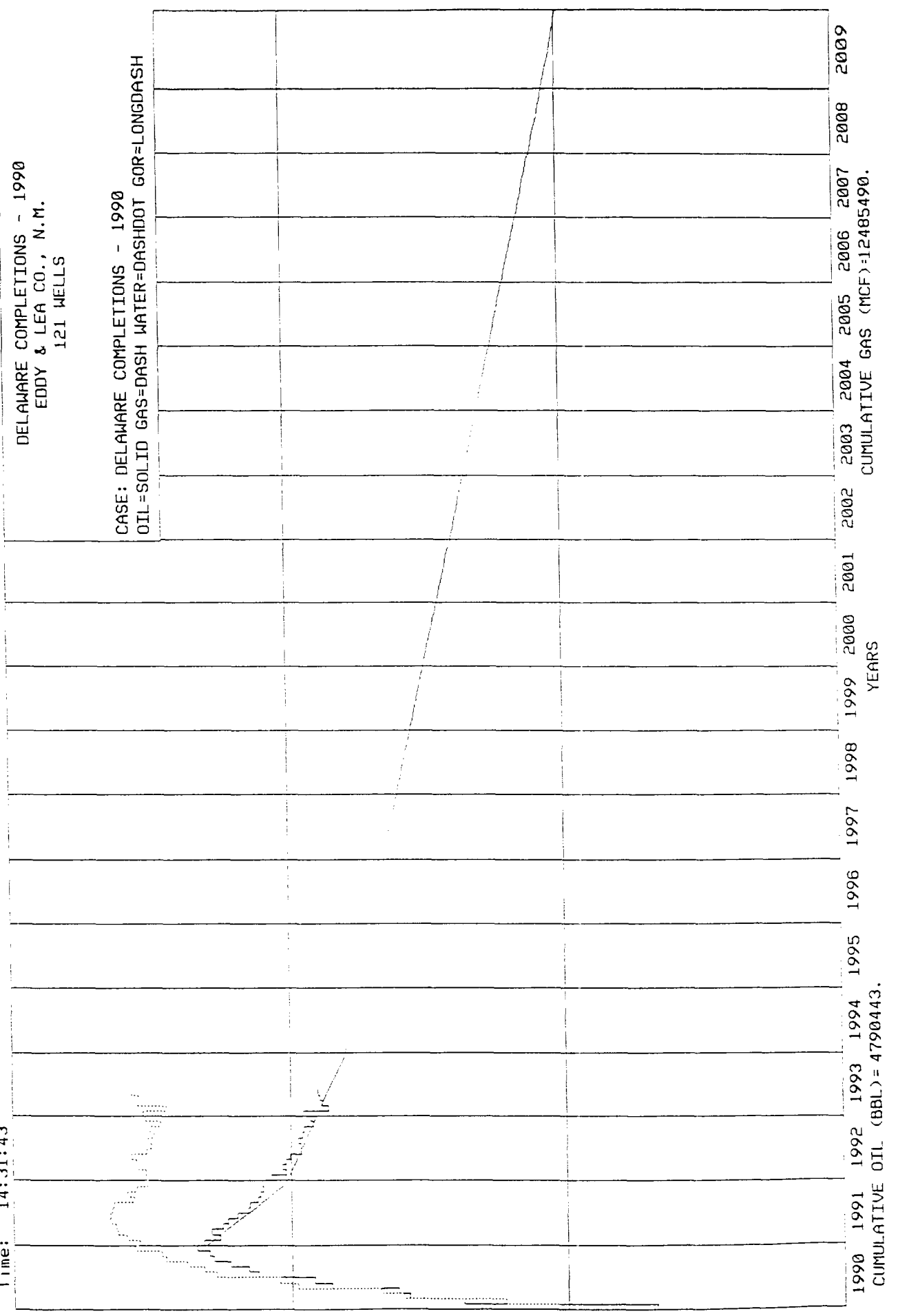
CUMULATIVE GAS (MCF) = 666719.4.

YEARS

Date: 10/15/93
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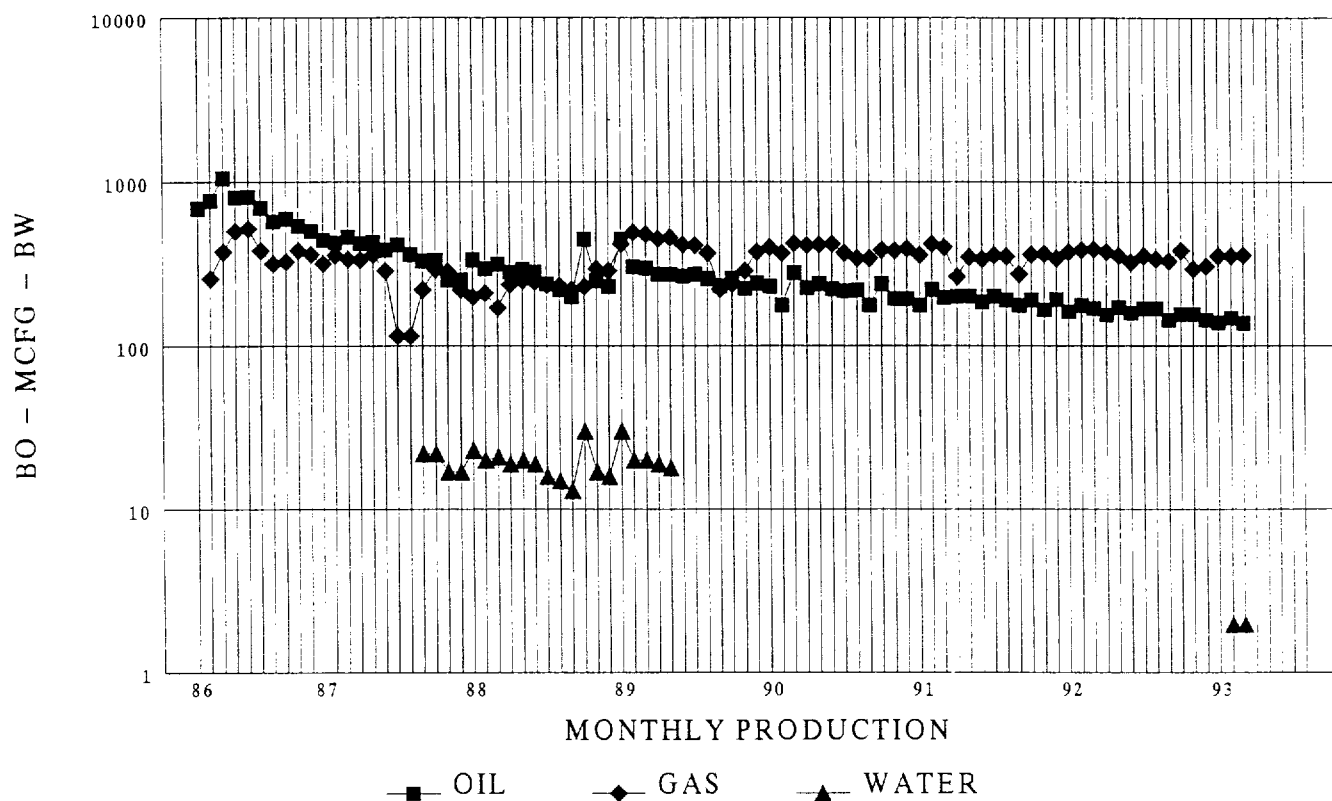
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PRODUCTION HISTORY



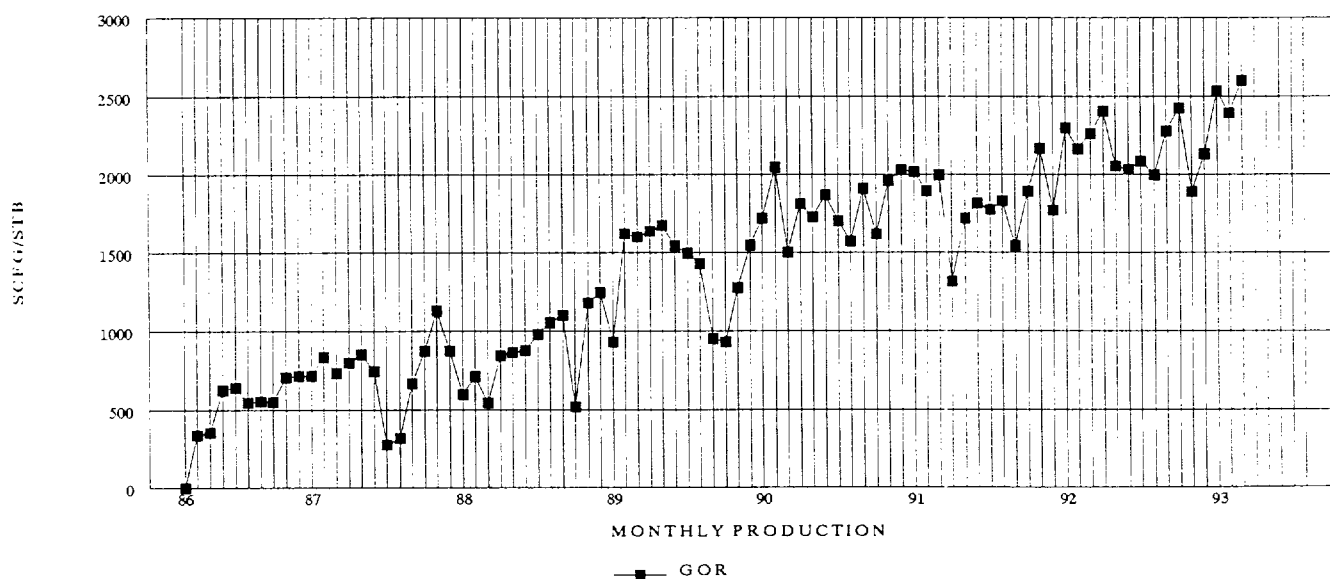
MESCALERO RIDGE UNIT #3

PRODUCTION



MESCALERO RIDGE UNIT #3

GOR



MESCALERO RIDGE UNIT #3

UNIT P SECTION 35-T19S-R34E

SECOND SAND LIME EQUIVALENT, 5780' - 5805'.

CUM. PRODUCTION

25,569 BO

28,175 MCF

418 BW

EXHIBIT E-1

1000
1000

100
100

GAS (MCF/MO)

10
10

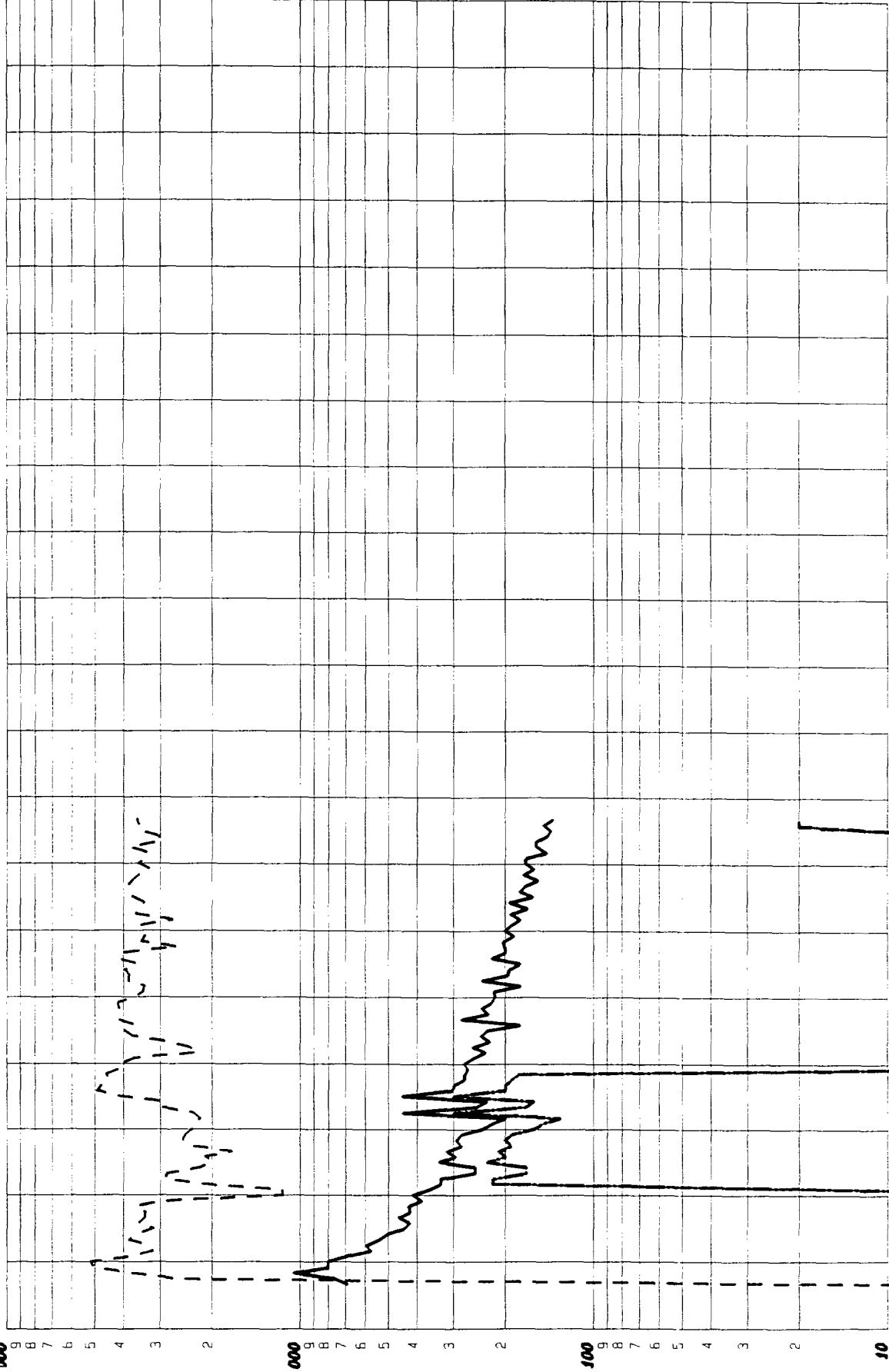
WATER (BBL/MO)

10
10

Lease: MESCALERO RIDGE UNIT

000003 Dwight's [ENERGYDATA] Inc.

Retrieval Code: 150, 025, 19S34E35P000L



86 87 88 89 90 91 92 93 94 95 96 97 98 99 00 01 02 03 04 05

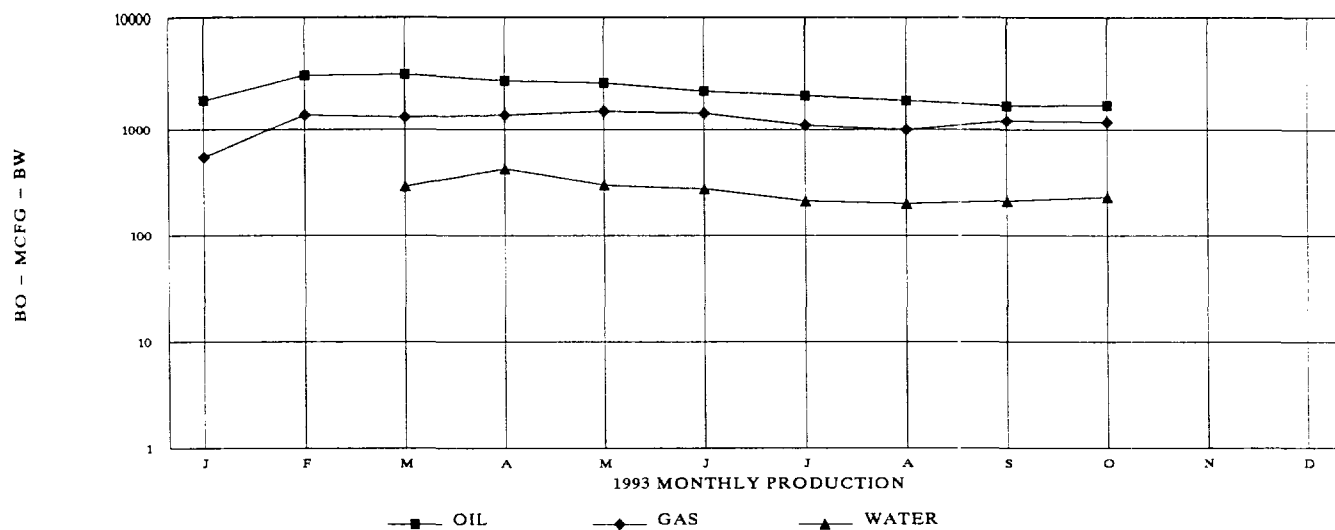
County:	LEA	State:	NM
Field:	LEA NE (DELAWARE) DI		
Reservoir:	DELAWARE		
Operator:	PENNZOIL EXPL & PROD CO		
Oil Cum:	25569	Gas Cum:	28175
Location:	35P 10S 34E		

Date: 12-20-93

F P Date 08-86

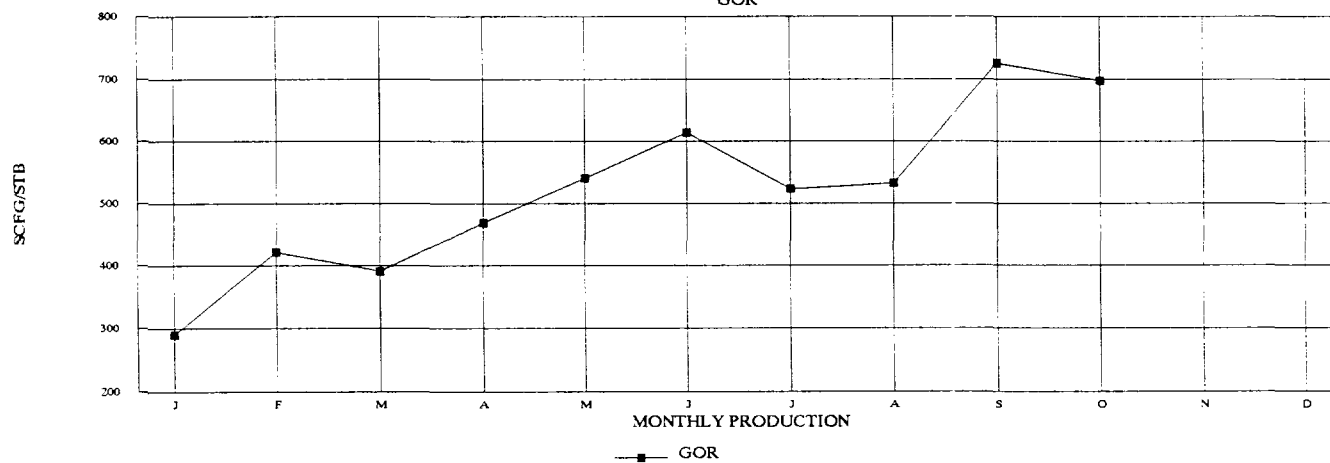
WEST PEARL STATE #1

PRODUCTION



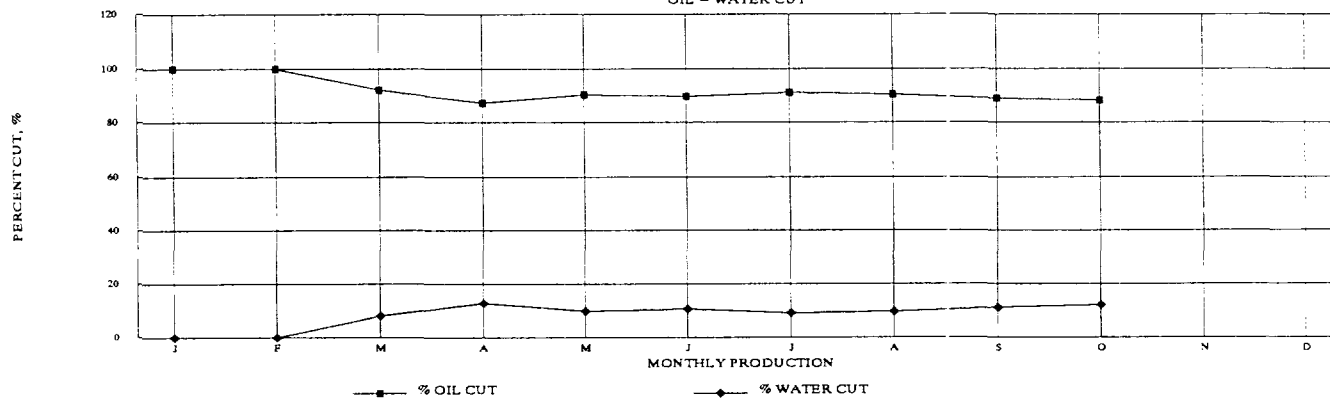
WEST PEARL STATE #1

GOR



WEST PEARL STATE #1

OIL - WATER CUT



WEST PEARL STATE #1

UNIT A SECTION 2 - T20S - R34E

COMPLETED IN THIRD SAND, 5890' - 5910'.

EXHIBIT E-3

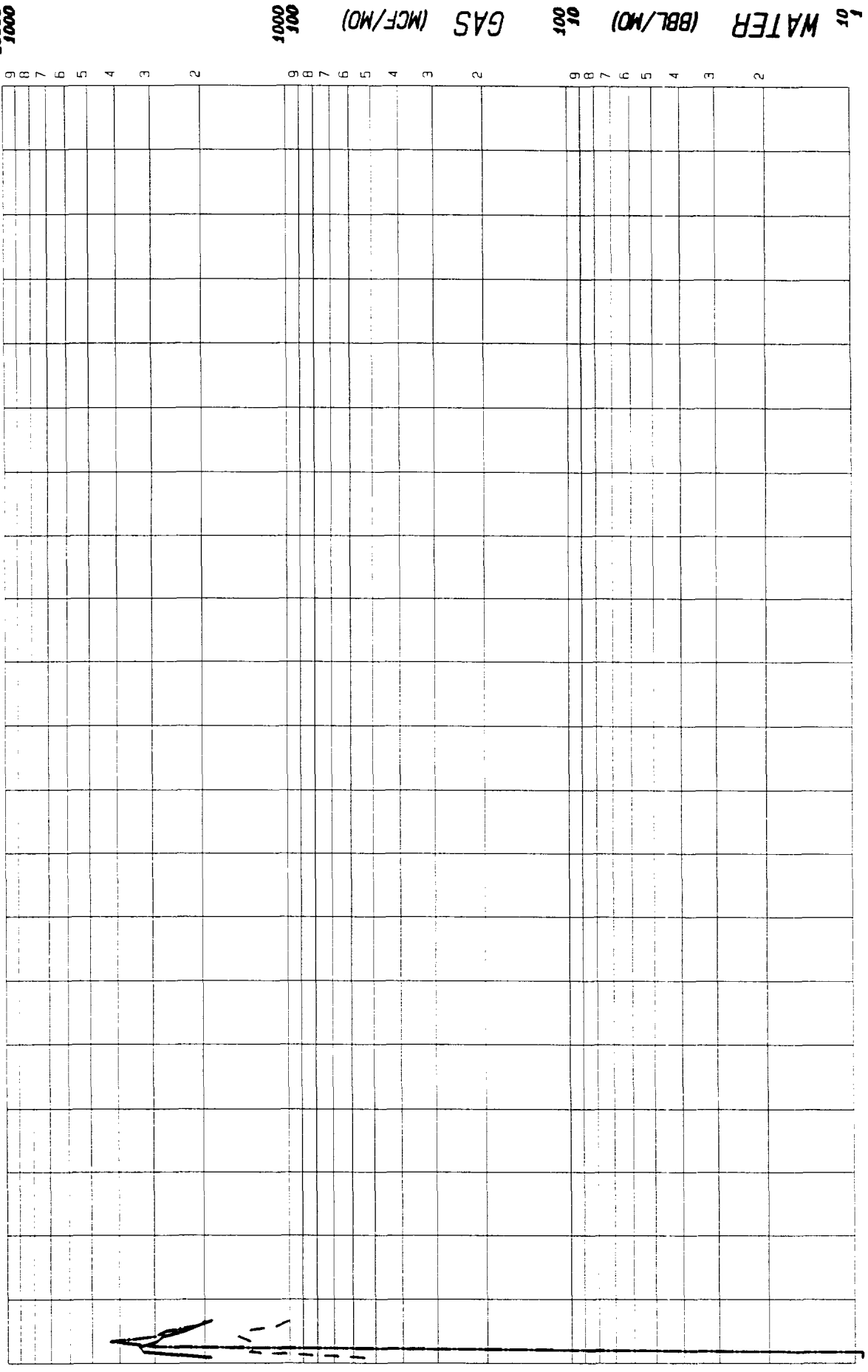
CUM. PRODUCTION

24,133 BO

12,167 MCF

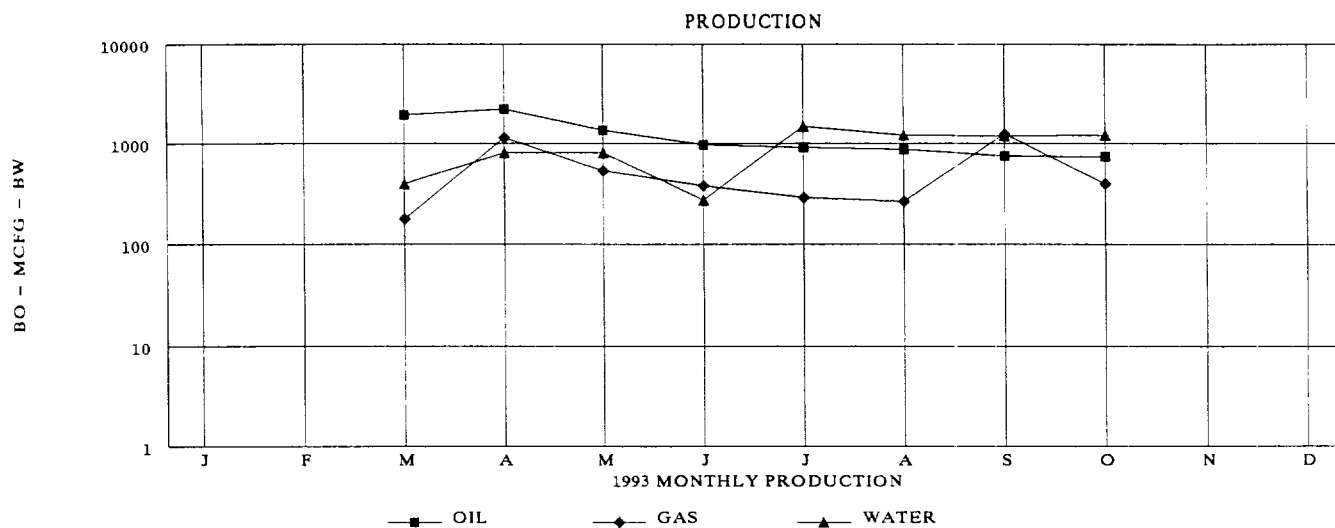
2,149 BW

Lease: WEST PEARL STATE 000001 Dwight's ENERGYDATA Inc. Retrieval Code: 150, 025, 20S34E02A00DL

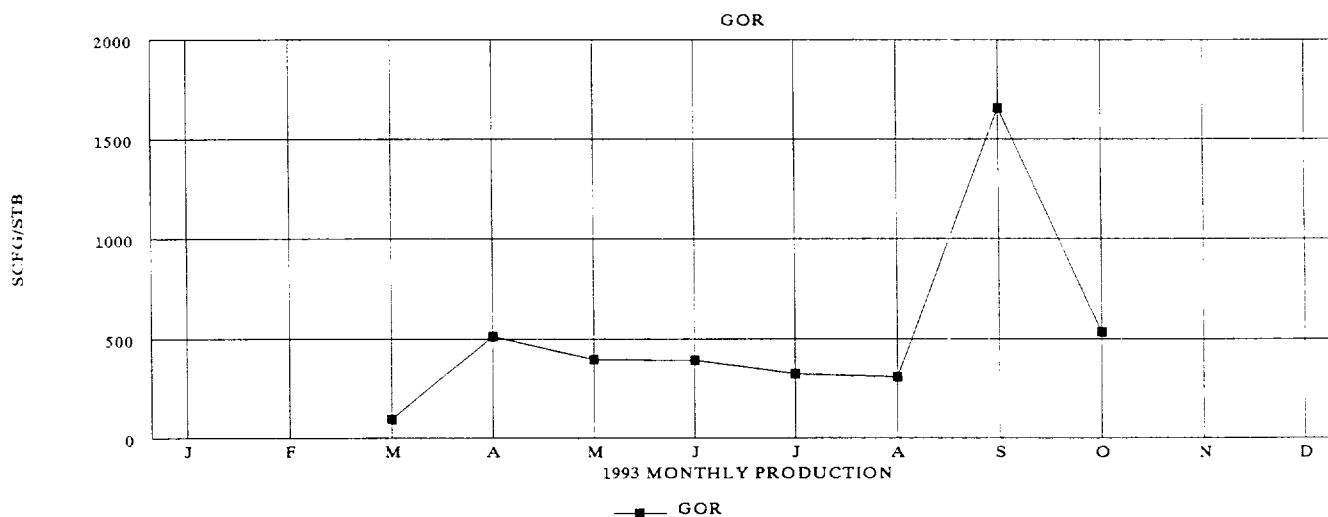


County: IFA State: NM
Field: LEA NE (DELAWARE) DL
Reservoir: DELAWARE
Operator: ARMSTRONG ENERGY CORP
Oil Cum 20724 Gas Cum 9742
Location 2A 20S 34E

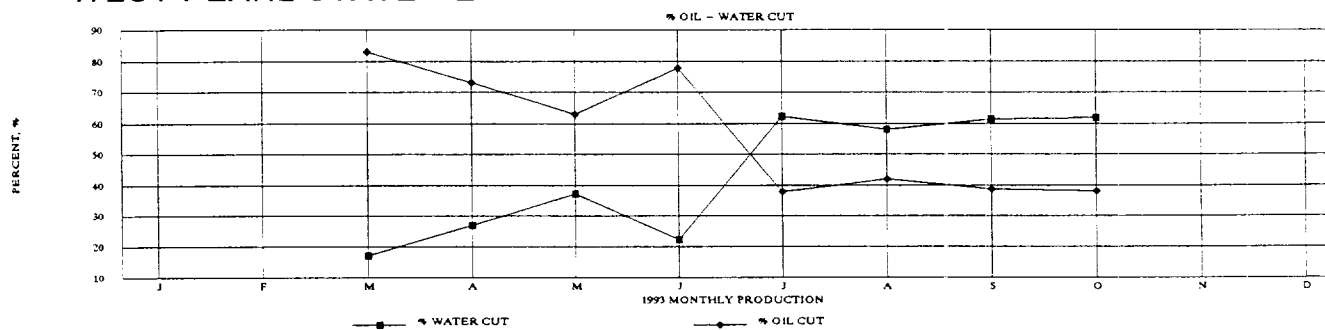
WEST PEARL STATE #2



WEST PEARL STATE #2



WEST PEARL STATE #2



WEST PEARL STATE #2

COMPLETED IN THIRD SAND, 5928' - 5948'.

TESTED SECOND SAND, 5744' - 5805', INCREASED WATER, NO OIL.

EXHIBIT E-5

UNIT G SECTION 2-T20S-R34E

CUM. PRODUCTION

9,705 BO

4,401 MCF

7,340 BW

10000
10000

1000
1000

GAS (MCF/MO)

100
100

(BBL/MO)

of WATER

1010

Retrieval Code: 150, 025, 20S34E02G00DL

000002 Dwight's ENERGYDATA Inc.

Lease: WEST PEARL STATE

[illegible]

State: MN NM

County: LEA

Field: 14A NE (DCLAWARE) DI

Reservoir DEL AWARE

Operator: ARMS/RUNG ENERGY CURF
027 Cum: 8210 Gas Cum:

Location	26 20S	34F
011 Cam. 0213	083 Cam	2770

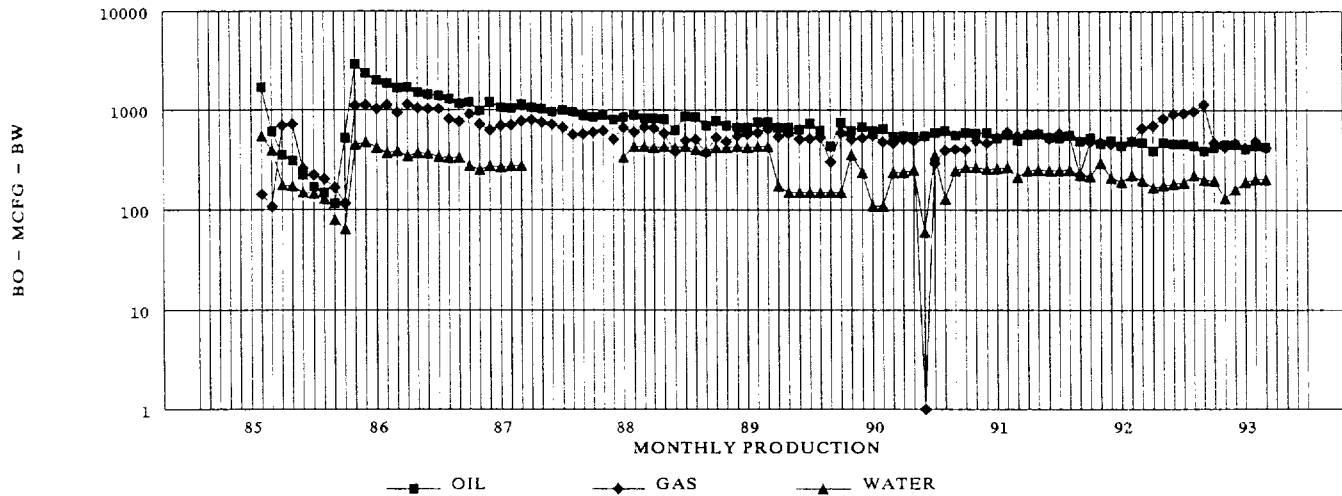
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Date: 12-20-93

F.P. Date 03-09-11

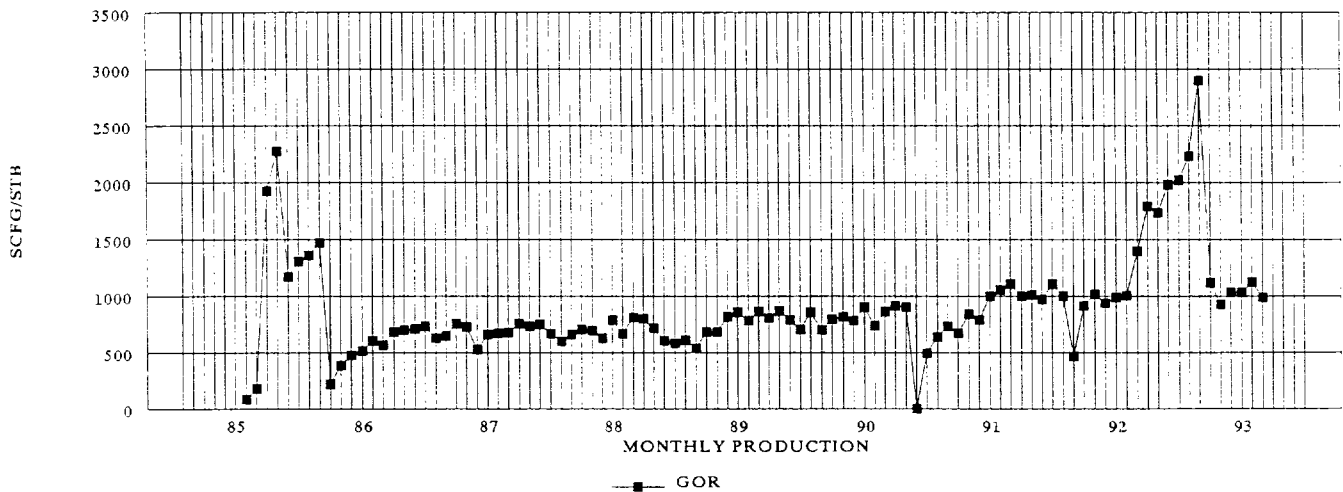
MOBIL STATE #1

PRODUCTION



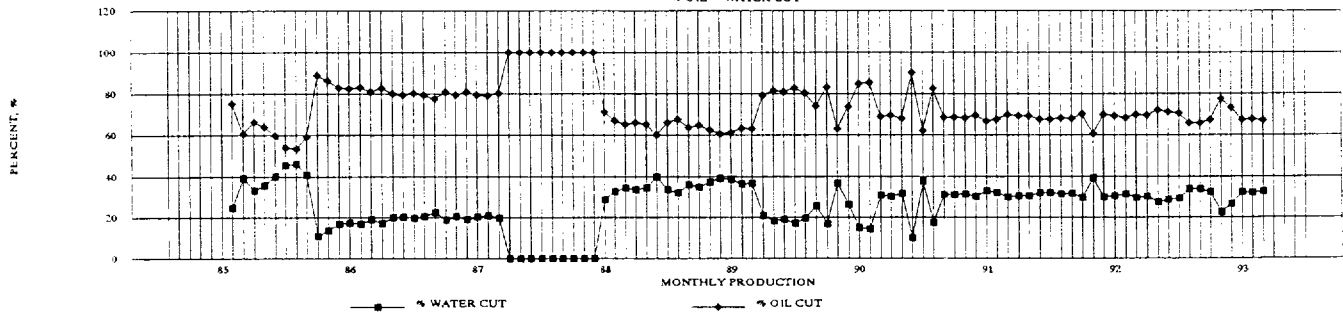
MOBIL STATE #1

GOR



MOBIL STATE #1

% OIL - WATER CUT



MOBIL STATE #1

COMPLETED IN FIRST SAND, 5625' - 5695'.

THIRD SAND IS WET, TOP @ -2263'.

EXHIBIT E-7

UNIT J SECTION 2-T20S-R34E

CUM. PRODUCTION

75,727 BO

57,970 MCF

24,049 BW

10000
1000

1000
100

GAS (MCF/MO)

100
10

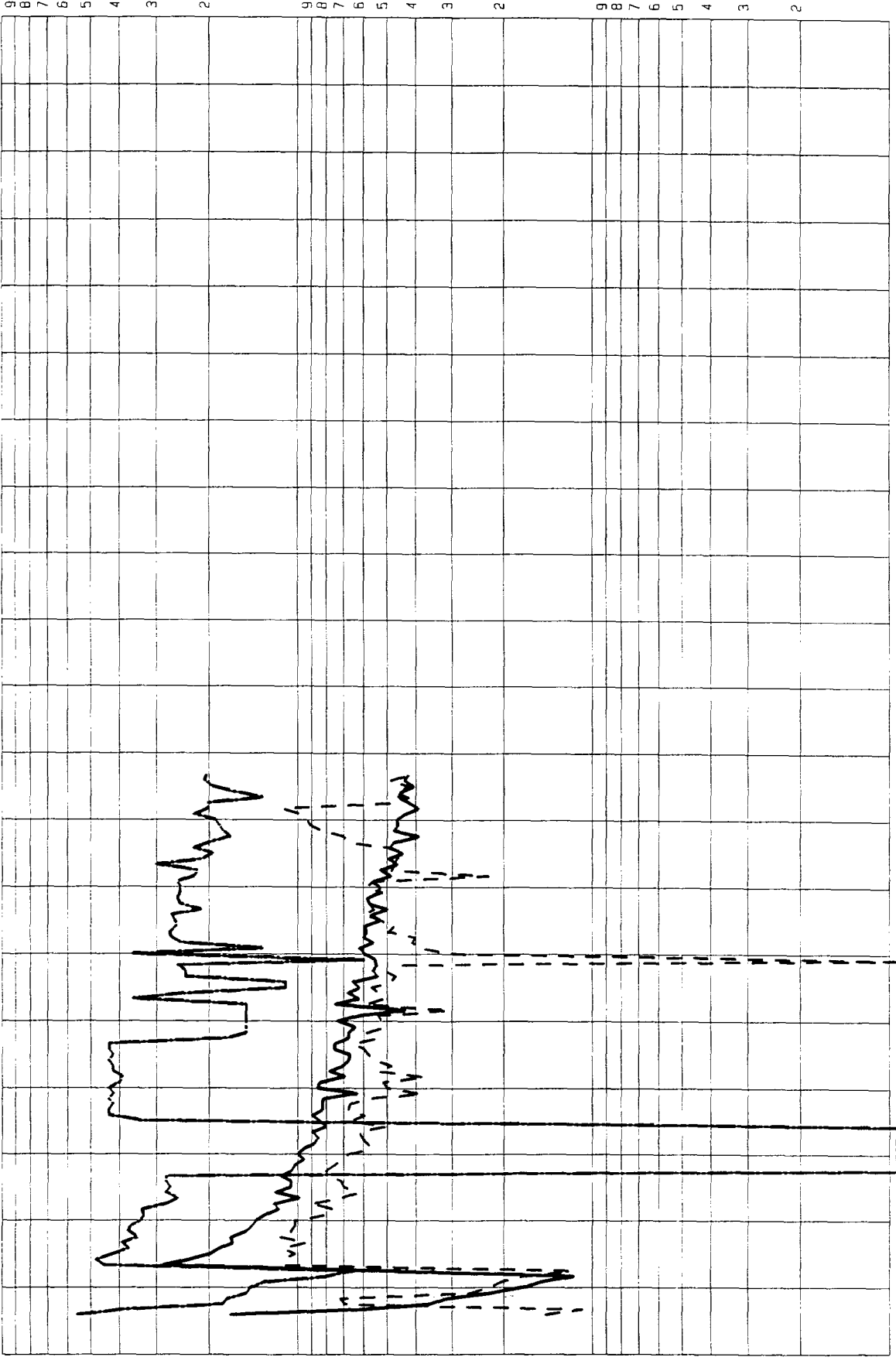
WATER (BBL/MO)

100
10

Lease: MOBILE STATE

000001 Dwight's [ENERGYDATA] Inc.

Retrieval Code: 150, 025, 20534E02J000L



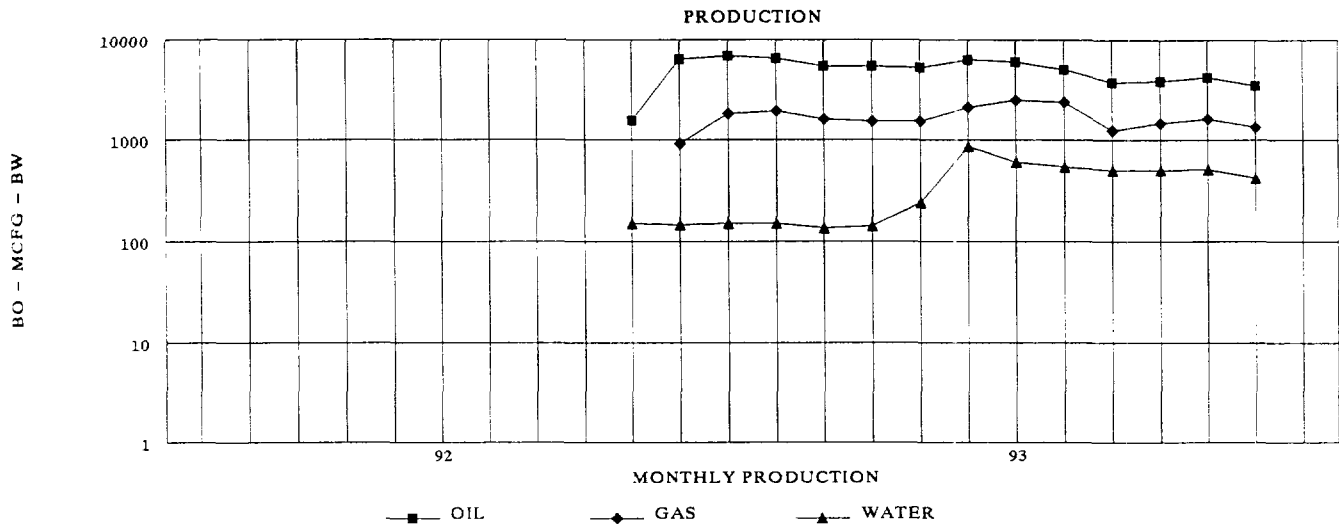
85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 00 01 02 03 04

County: LEA
Field: LEA NE (DELAWARE) DL
Reservoir: DELAWARE
Operator: MID CONTINENT ENERGY INC
Oil Cum: 75727 Gas Cum: 57910
Location: 21205 34J
State: NM

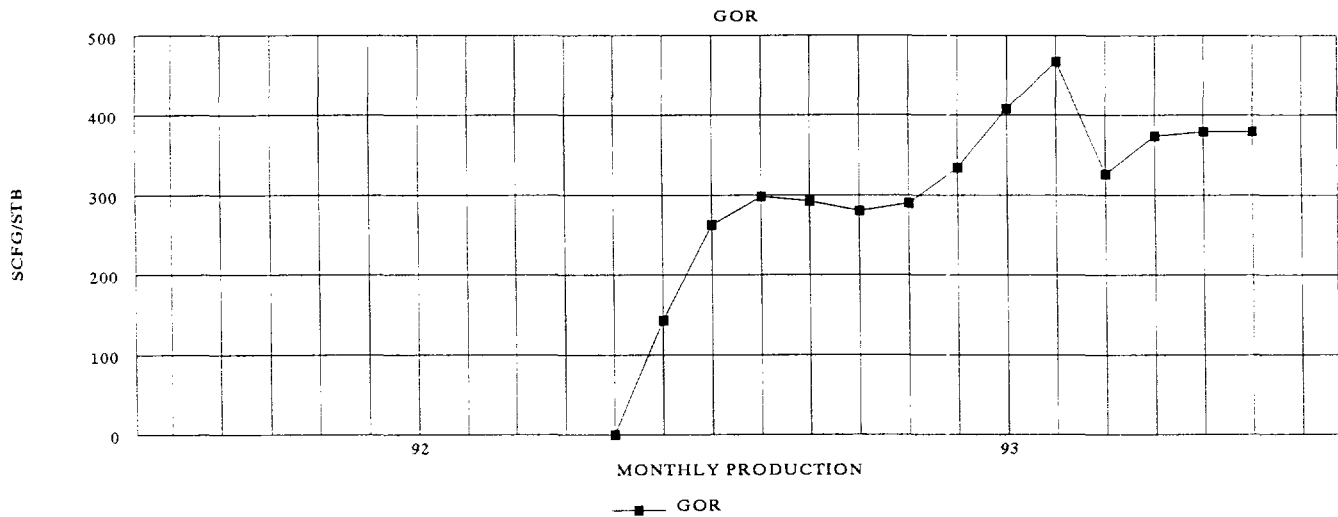
Date: 12-20-93

1 P Date 01-85

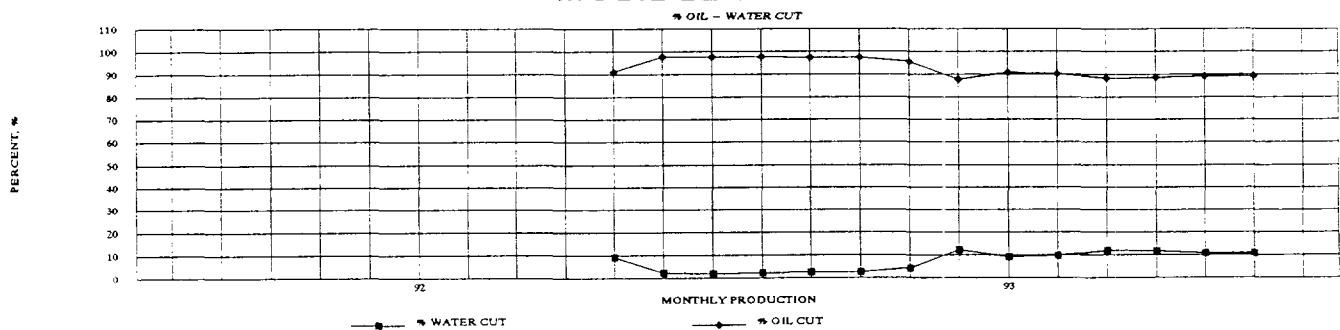
MOBIL LEA STATE #1



MOBIL LEA STATE #1



MOBIL LEA STATE #1



MOBIL LEA STATE #1

UNIT K SECTION 2-T20S-R34E

COMPLETED IN THIRD SAND, 5890' - 5930'.

EXHIBIT E-9

CUM. PRODUCTION

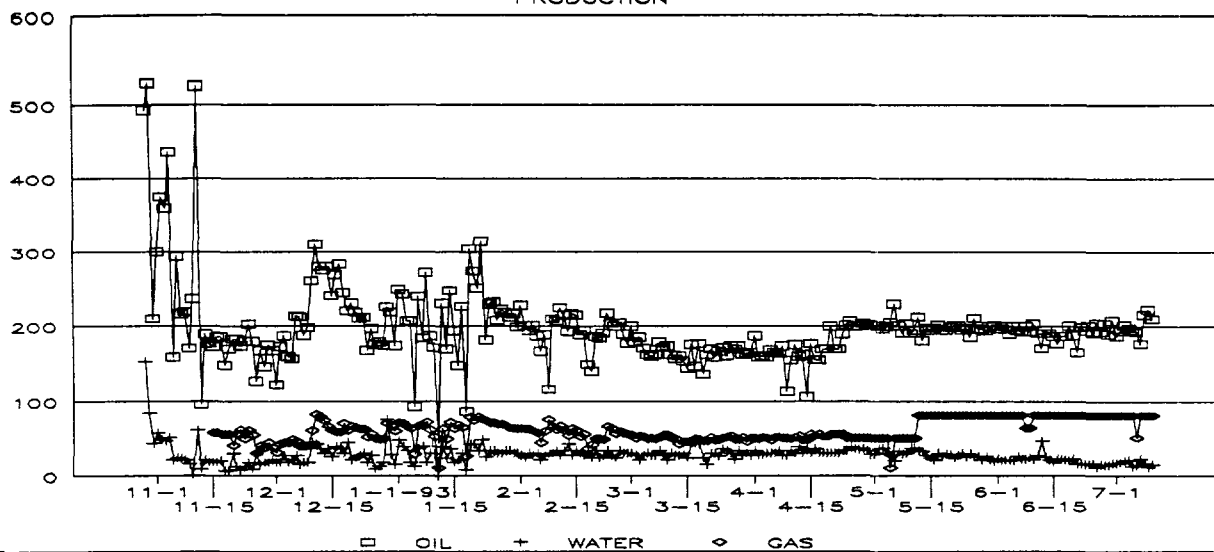
69,174 BO

21,519 MCF

5,042 BW

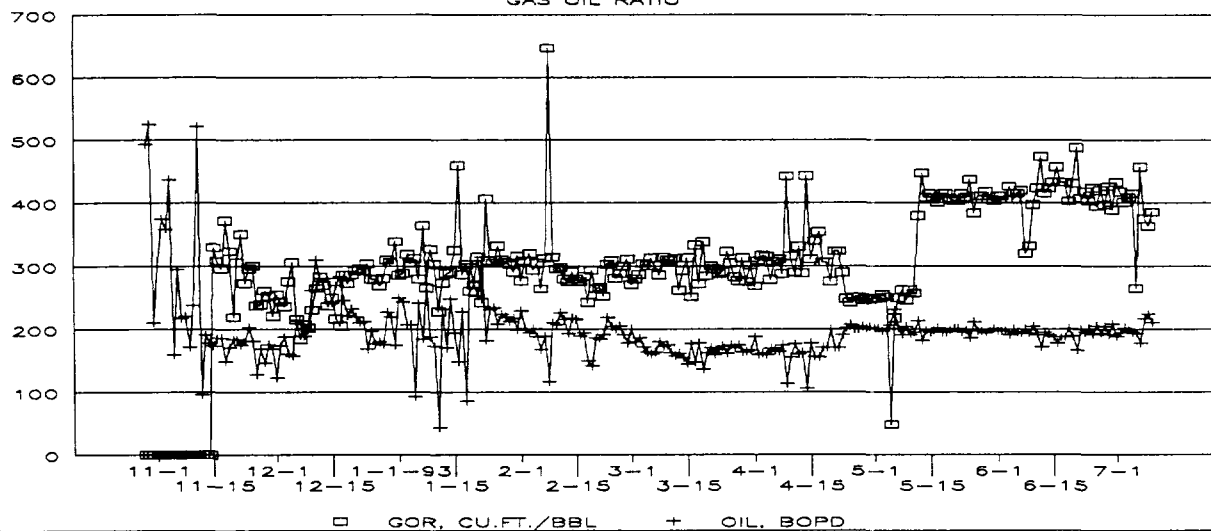
MOBIL LEA STATE # 1 PRODUCTION

BOPD-BWPD-MSCFD



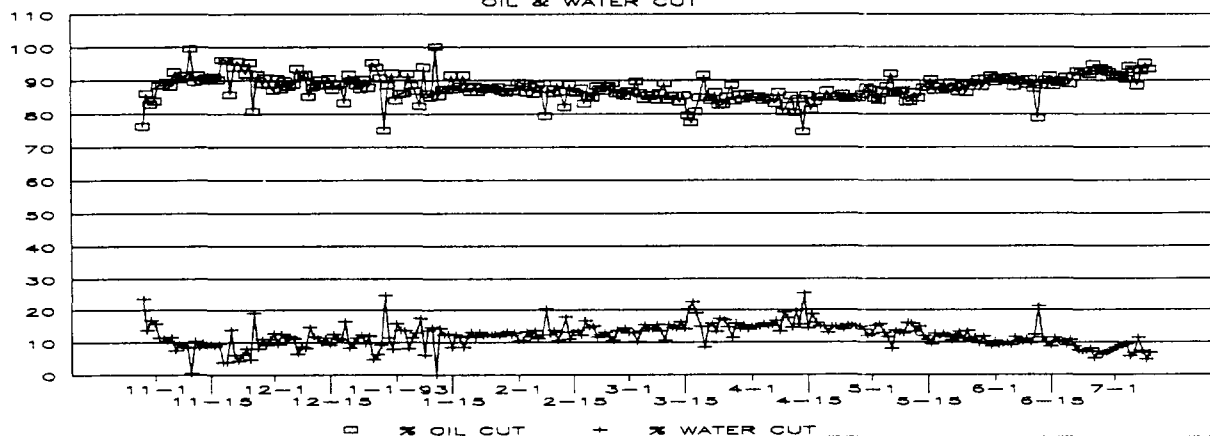
MOBIL LEA STATE # 1 GAS OIL RATIO

GOR, BOPD, MSCFD



MOBIL LEA STATE # 1 OIL & WATER CUT

PERCENT CUT, %



MOBIL LEA STATE #1

1800' FSL & 1980' FWL SECTION 2-T20S-R34E

3rd SAND COMPLETION 5890'-5930', MAY 93 OPENED ANNULUS AND GOR INCREASED TO 400

CU.FT./BBL. GOOD SHOWS AND LOG RESPONSE IN 1st SAND, POSSIBLE PAY ZONE.

EXHIBIT **E-10**

10000
1000

1000
100

100
10
GAS (MCF/MO)

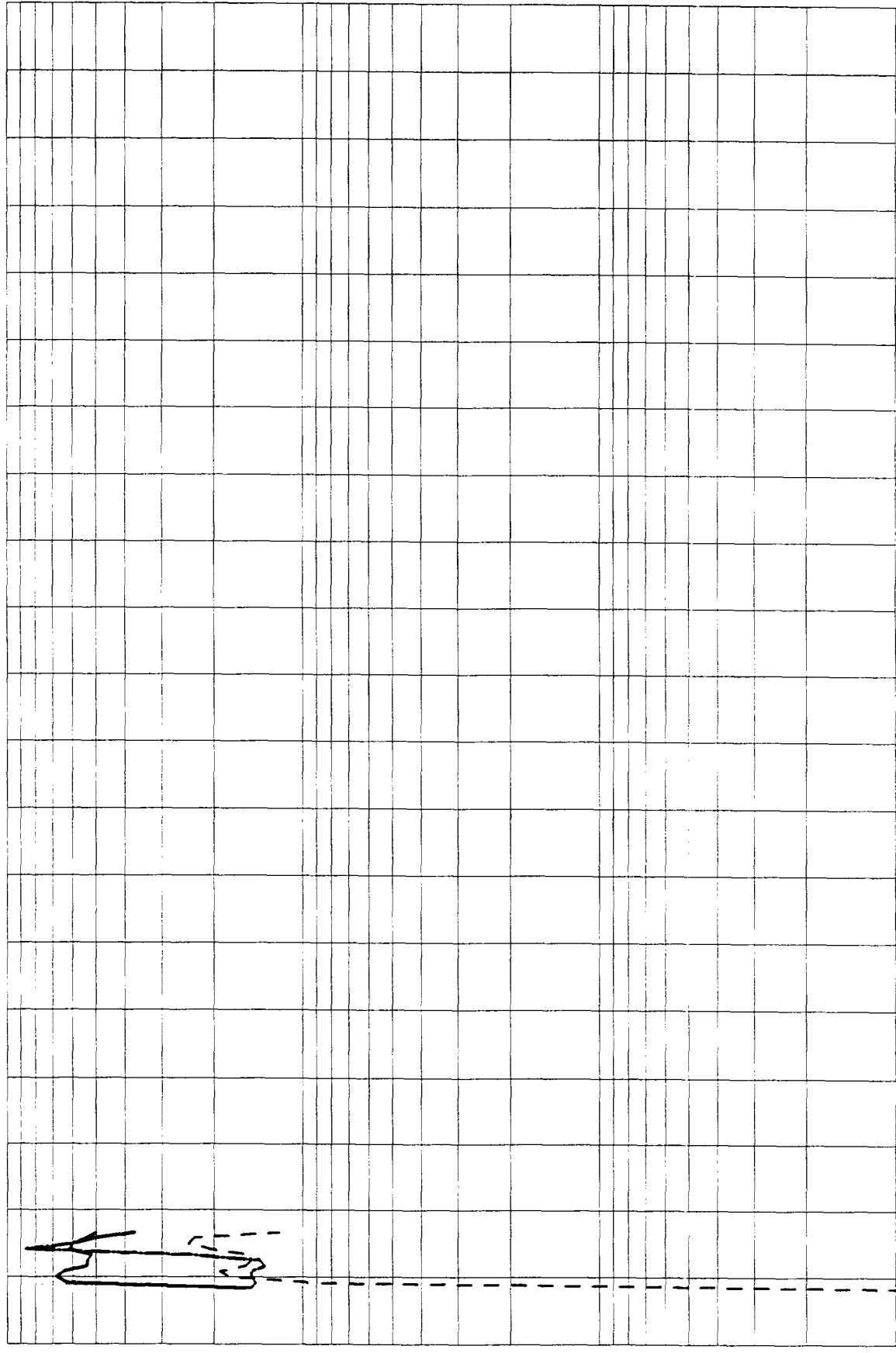
100
10
WATER (BBL/MO)

10
WATER (BBL/MO)

Lease: MOBIL LEA STATE

000001 Dwight's [ENERGYDATA] Inc.

Retrieval Code: 150, 025, 20534E02X00DL



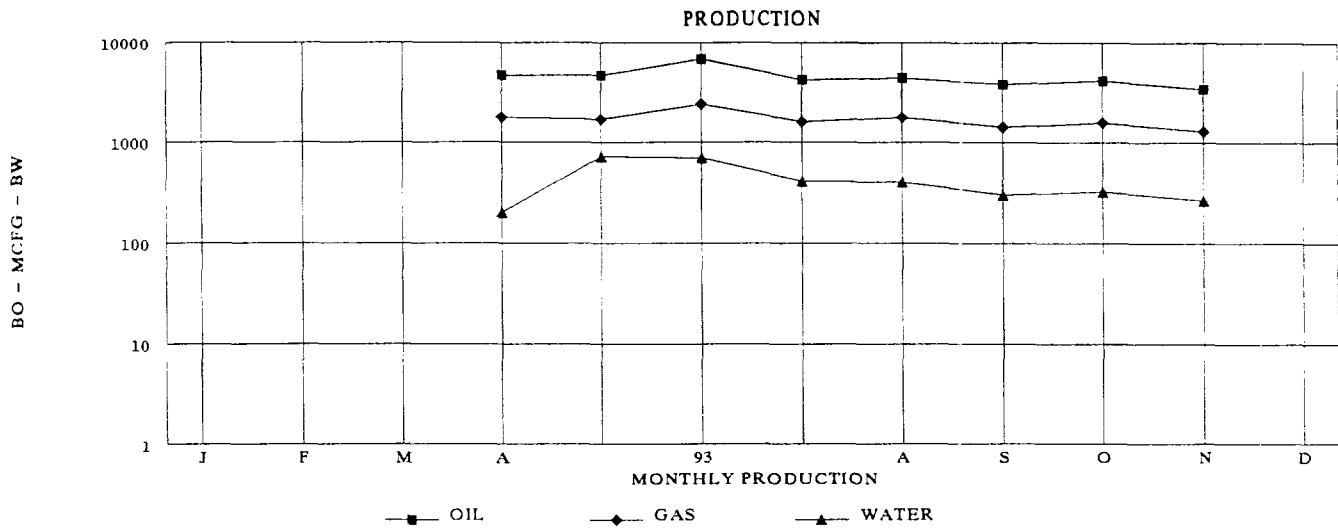
92 93 94 95 96 97 98 99 00 01 02 03 04 05 06 07 08 09 10 11

County:	LEA	State:	NM
Field:	LEA NE (DELAWARE) DL		
Reservoir:	DELAWARE		
Operator:	ARMSTRONG ENERGY CORP		
Oil Cum	57745	Gas Cum	17206
Location:	2K 205 34E		

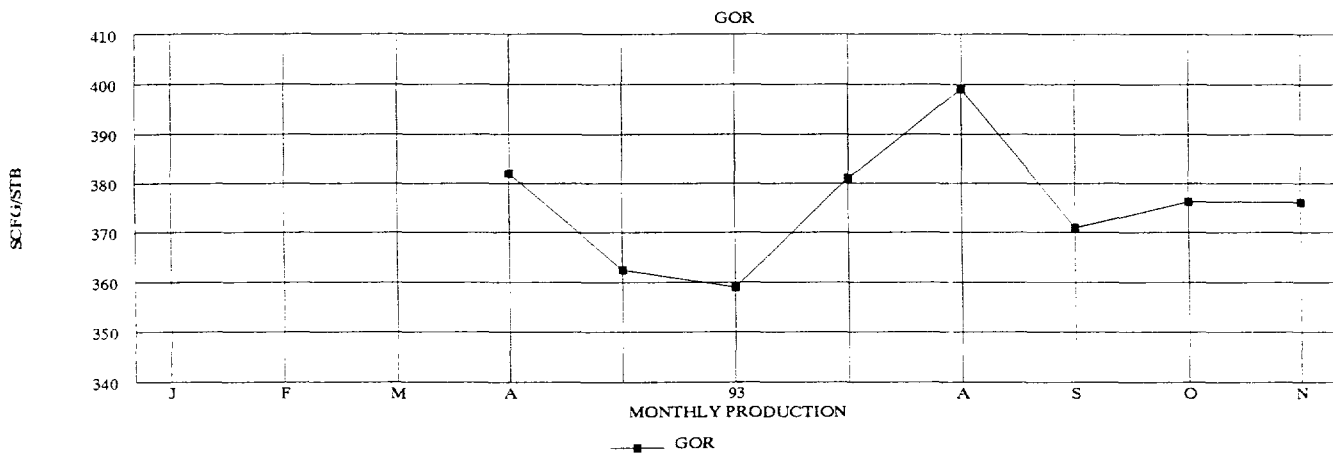
Date: 12-20-93

F.P. Date 10-92

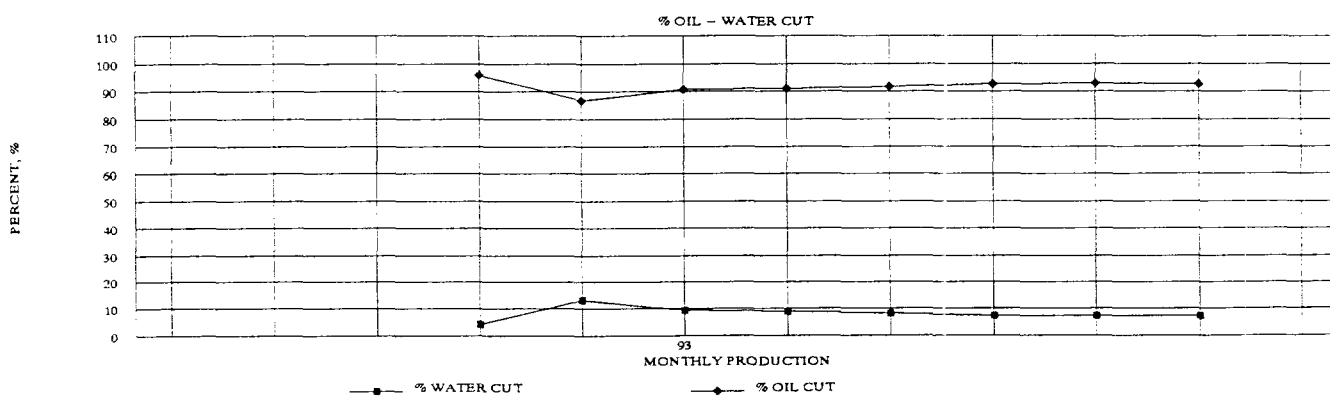
MOBIL LEA STATE #2



MOBIL LEA STATE #2



MOBIL LEA STATE #2



MOBIL LEA STATE #2

COMPLETED IN THIRD SAND, 5890' - 5930'.
FIRST SAND IS A POTENTIAL PAY.

UNIT L SECTION 2-T20S-R34E

CUM. PRODUCTION

36,072 BO

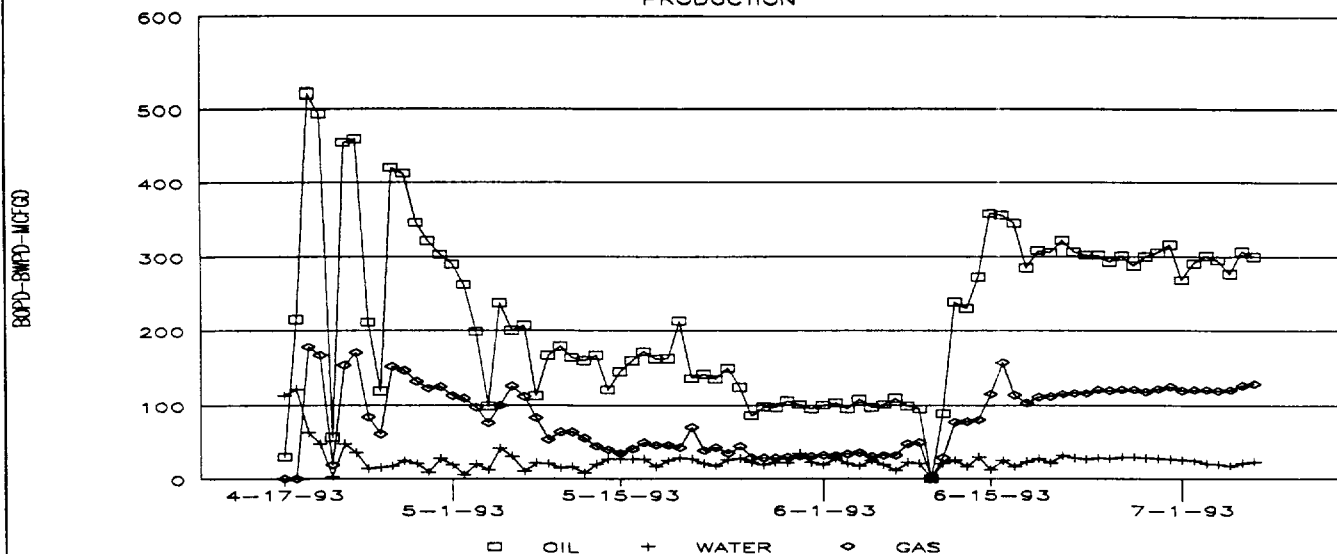
13,518 MCF

3,302 BW

EXHIBIT E-12

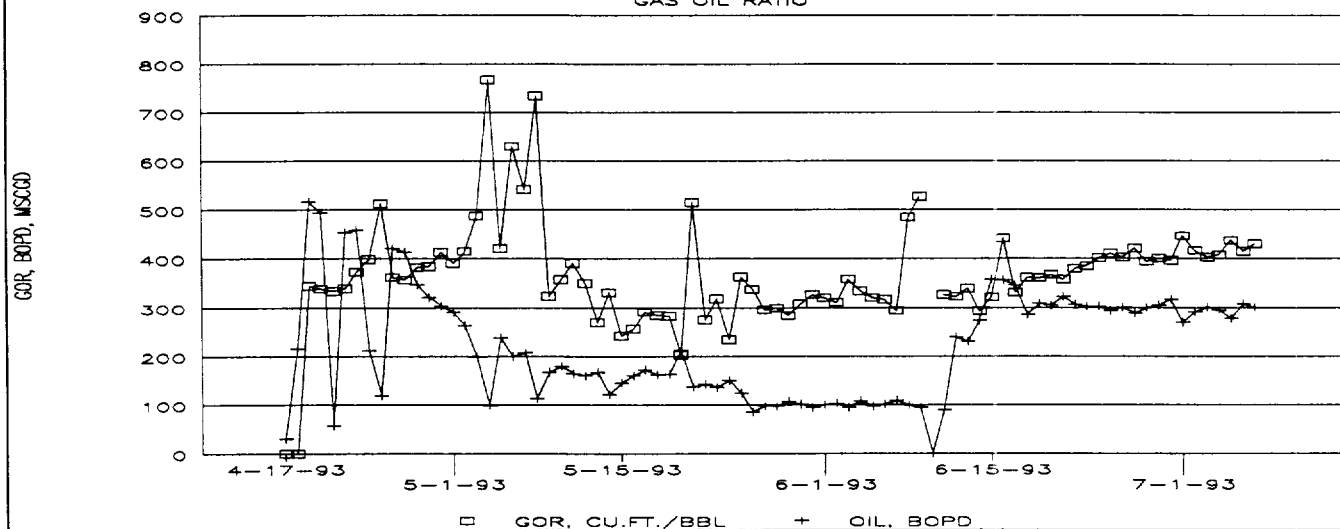
MOBIL LEA STATE # 2

PRODUCTION



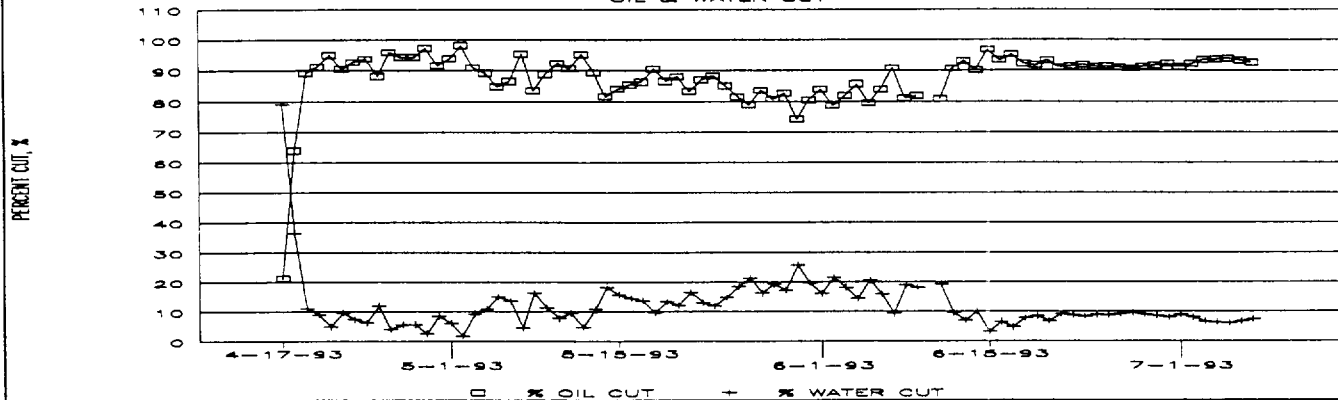
MOBIL LEA # 2

GAS OIL RATIO



MOBIL LEA STATE # 2

OIL & WATER CUT



MOBIL LEA STATE #2

1800' FSL & 990' FWL SECTION 2-T20S-R34E

3 rd SAND COMPLETION 5890'-5930', GOOD SHOWS AND LOG RESPONSE IN 1 st SAND,
POSSIBLE PAY ZONE. TESTED AT 300 BOPD FROM JUNE 12, 1993 TO JULY 12, 1993.

EXHIBIT **E-13**

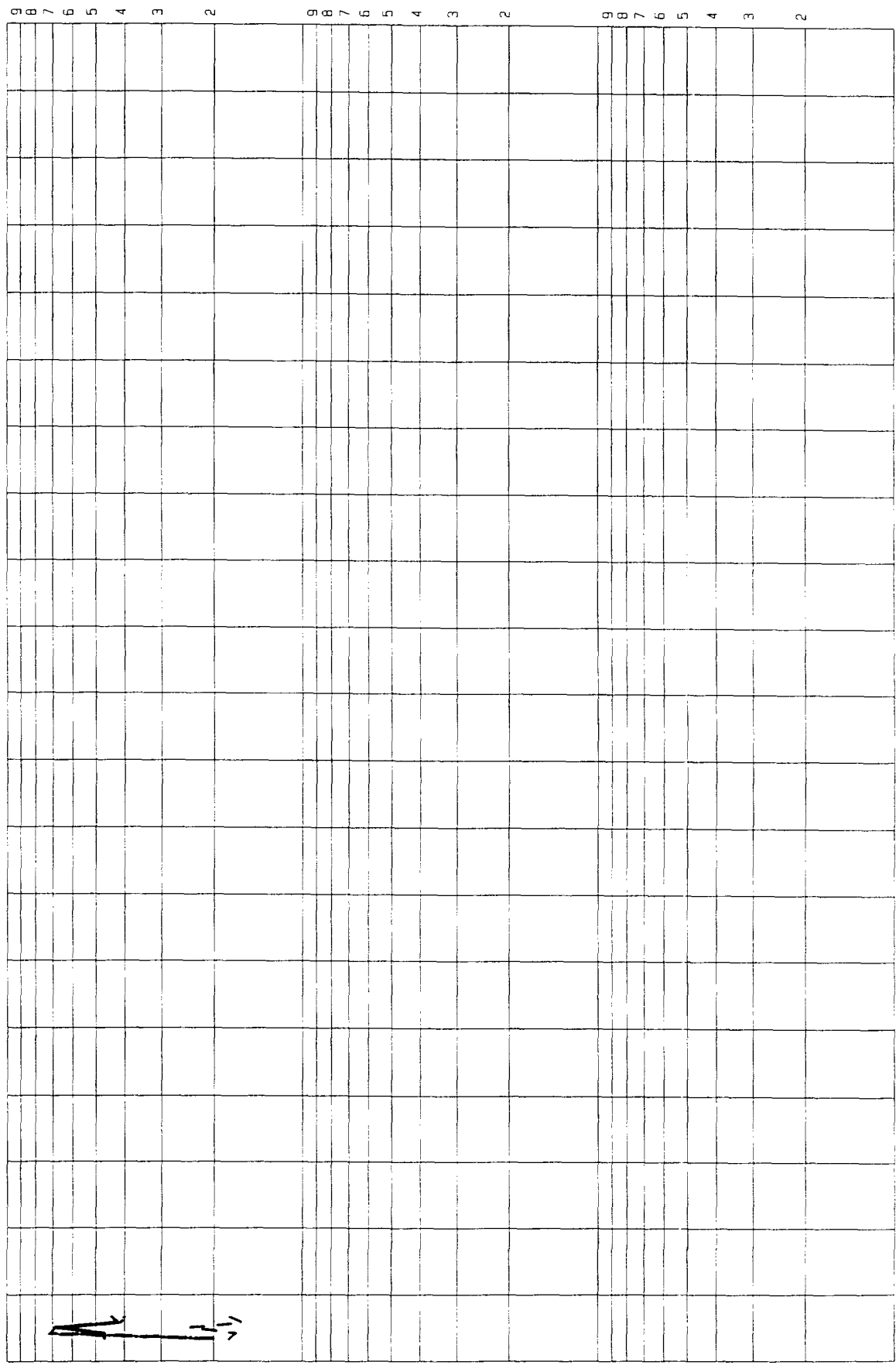
10000
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Lease: MOBIT IEA STATE

000002 Dwight's [ENERGYDATA] Inc.

Retrieval Code: 150, 025, 20S34E02L00DL

WATER (BBL/MO) 100
GAS (MCF/MO) 100
10000
1000



93 94 95 96 97 98 99 00 01 02 03 04 05 06 07 08 09 10 11 12

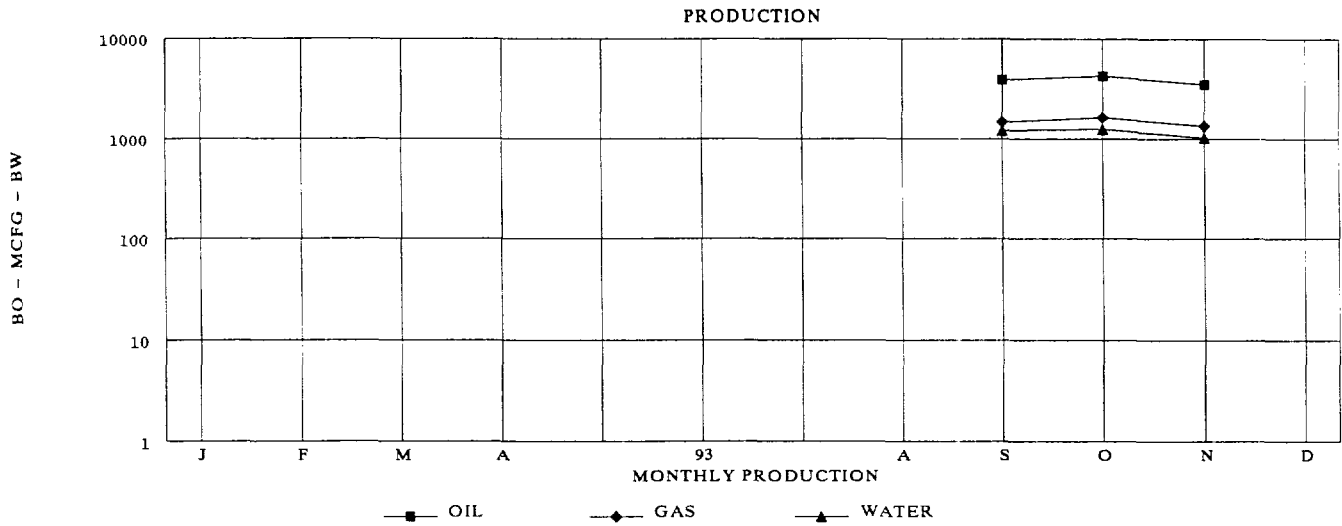
County: IEA NE (DELAWARE) DL
Field: IEA NE (DELAWARE) DL
Reservoir: DELAWARE
Operator: ARMSTRONG ENERGY CORP
Oil Cum 24662 Gas Cum 9246
Location: 2L 20S 34E

State: NM

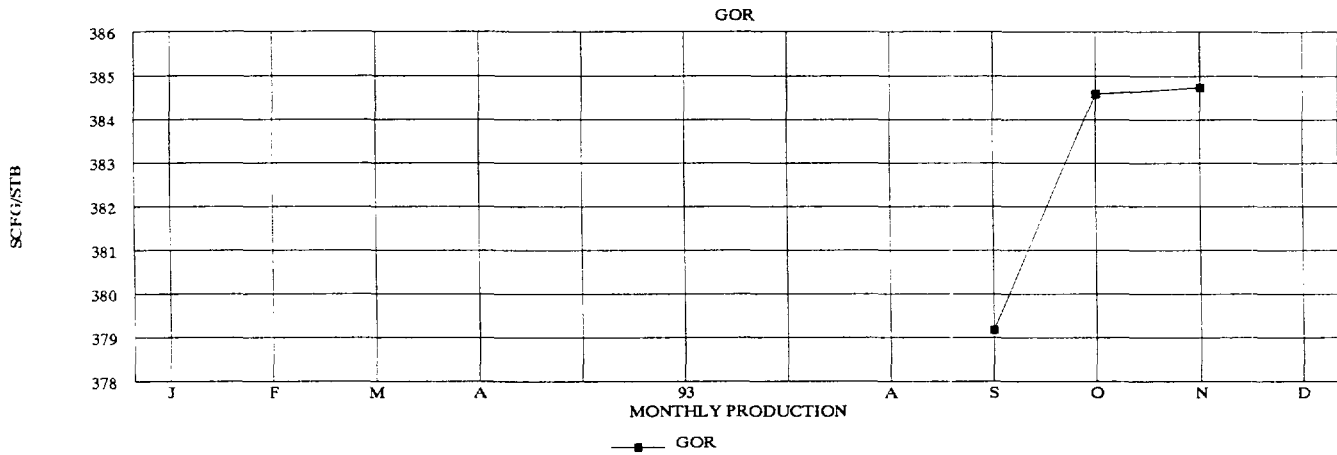
F P Date 04-93

Date 12-20-93

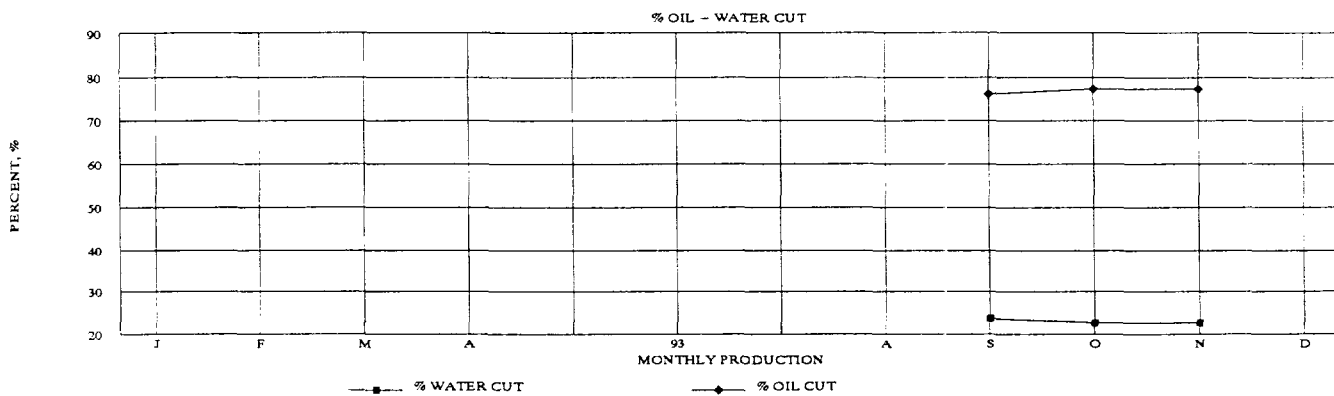
MOBIL LEA STATE #3



MOBIL LEA STATE #3



MOBIL LEA STATE #3



MOBIL LEA STATE #3

COMPLETED IN THIRD SAND, 5918' - 5946'.
FIRST SAND IS A POTENTIAL PAY.

UNIT M SECTION 2 - T20S - R34E

CUM. PRODUCTION

11,512 BO

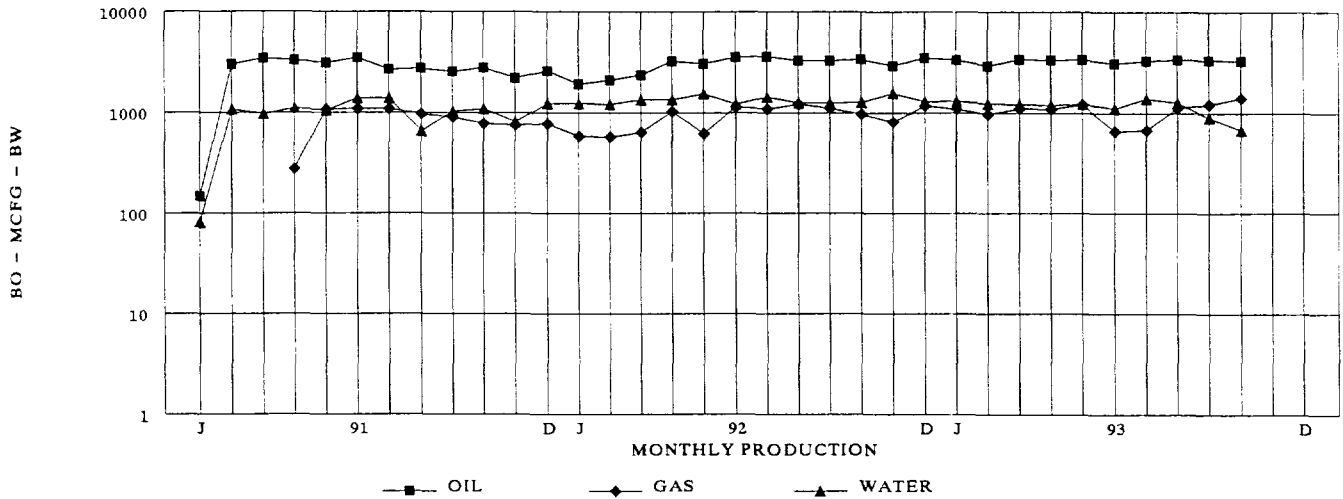
4,407 MCF

3,446 BW

EXHIBIT E-15

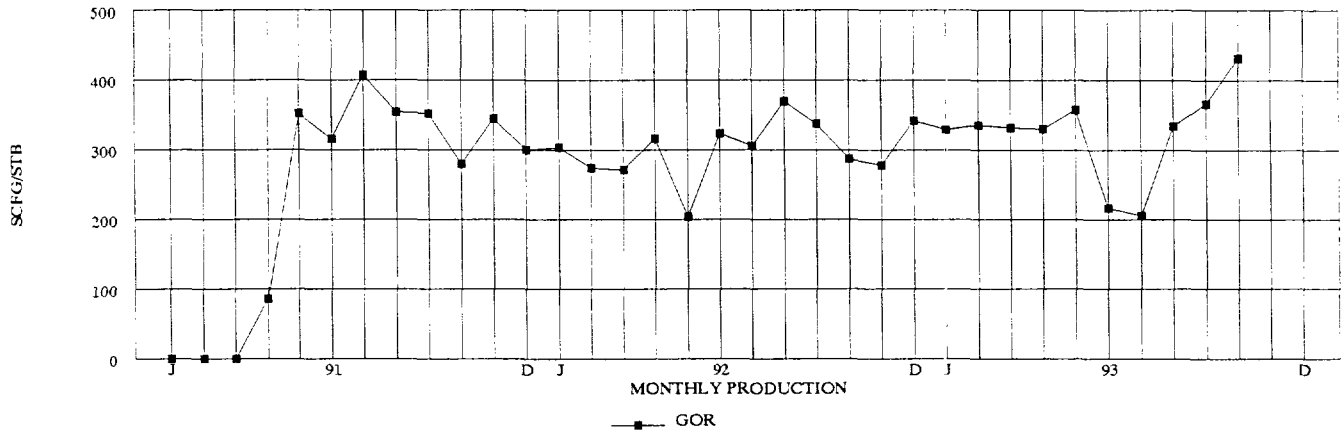
MARK FEDERAL #1

PRODUCTION



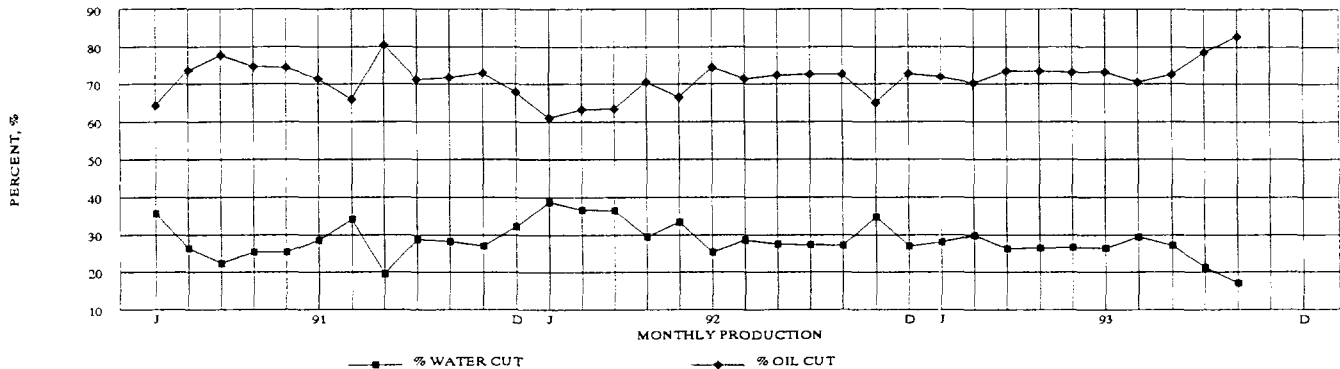
MARK FEDERAL #1

GOR



MARK FEDERAL #1

% OIL - WATER CUT



MARK FEDERAL #1

COMPLETED IN FIRST SAND, 5644' - 5664'.

UNIT M SECTION 3--T20S--R34E

CUM. PRODUCTION

99,455 BO

28,972 MCF

38,944 BW

10000
10000

1000
1000

GAS (MCF/MO)

100
100

(BBL/MO)

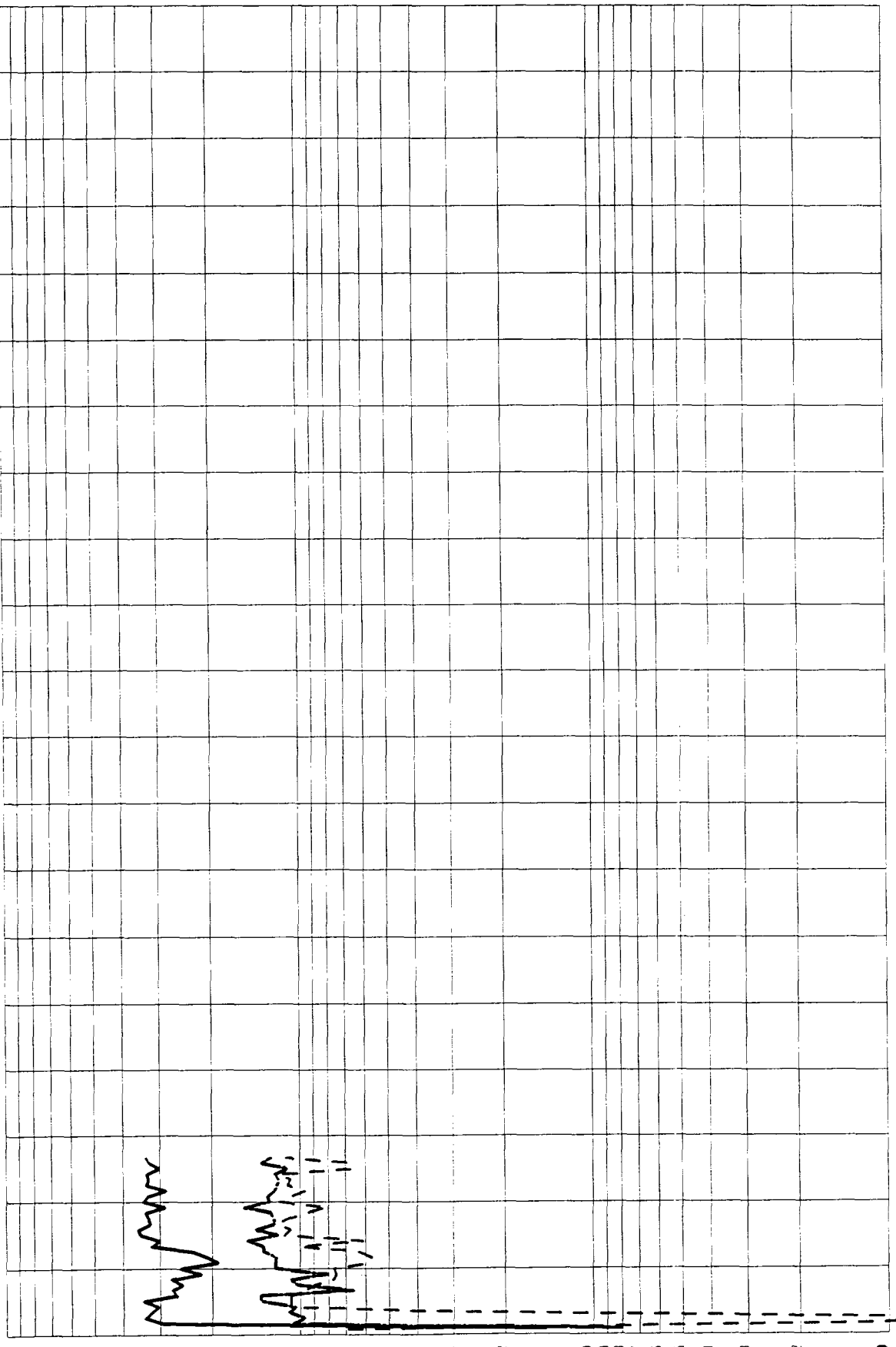
WATER

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Retrieval Code: 150, 025, 20S34E03M00DL

000001 Dwight's [ENERGYDATA] Inc

Lease MARK FEDERAL



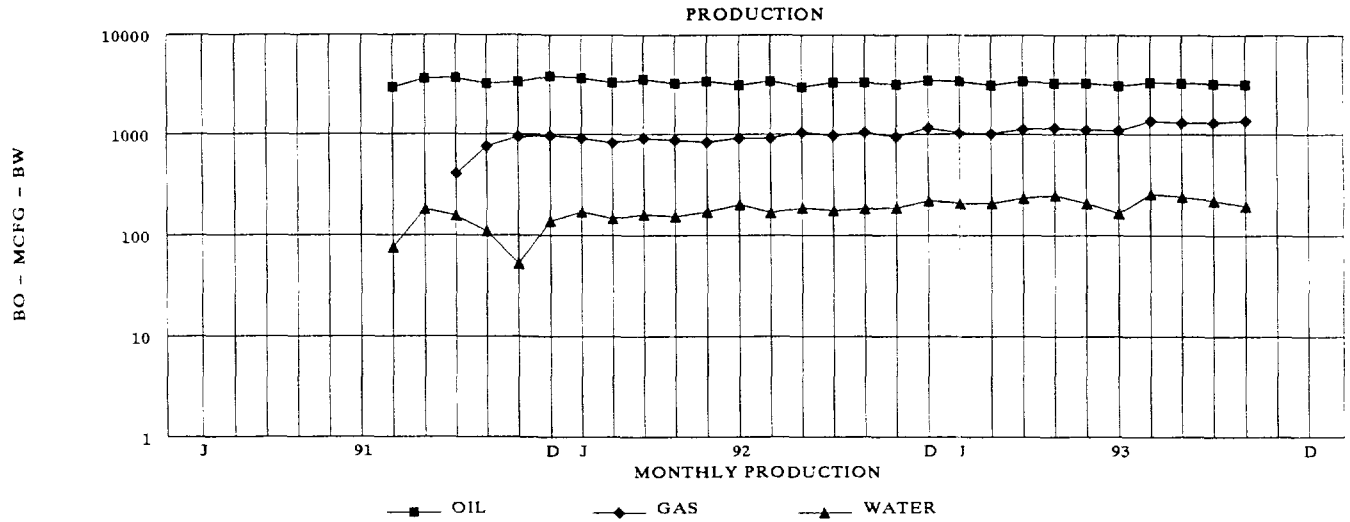
County: LEA
Field: QUAIL RIDGE (DELAWARE) DL
Reservoir: DELAWARE
Operator: READ & STEVENS INC
Oil Cum: 92943 Gas Cum: 21062
Location: 3M 20S 34E

State: NM

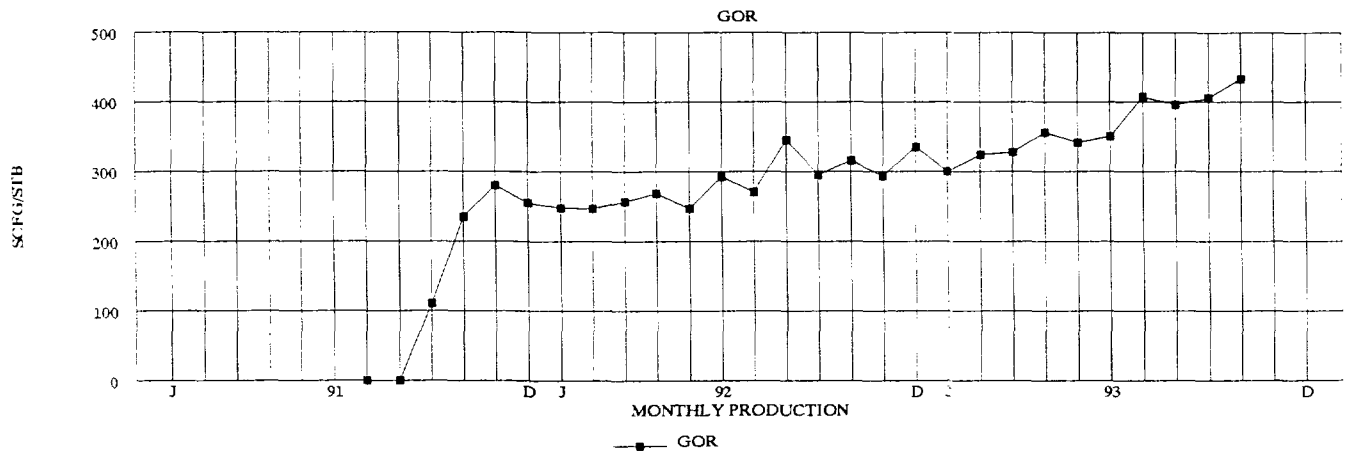
Date: 12 20-93

F P Date 01 91

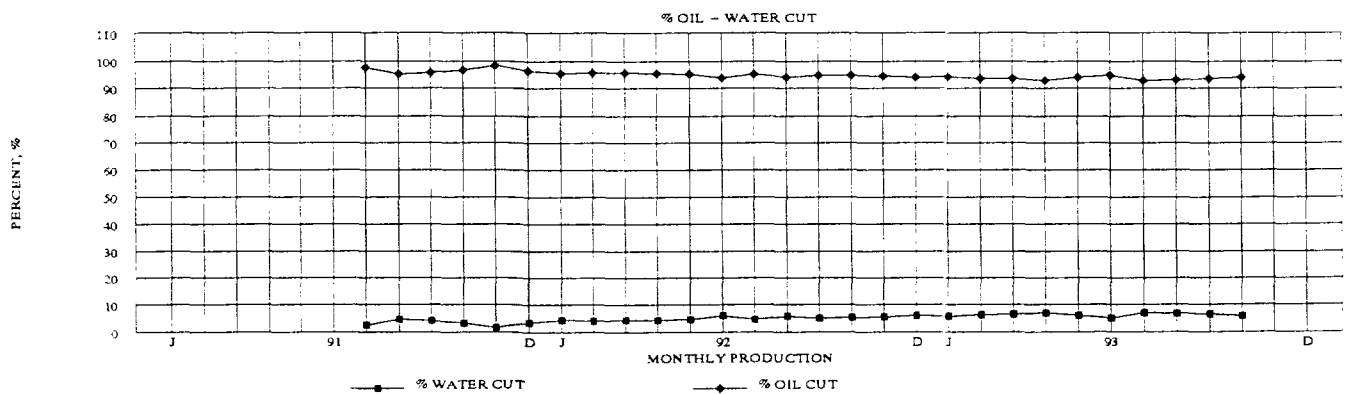
MARK FEDERAL #2



MARK FEDERAL #2



MARK FEDERAL #2



MARK FEDERAL #2

COMPLETED IN FIRST SAND, 5610' - 5640'.

UNIT N SECTION 3 - T20S - R34E

CUM. PRODUCTION

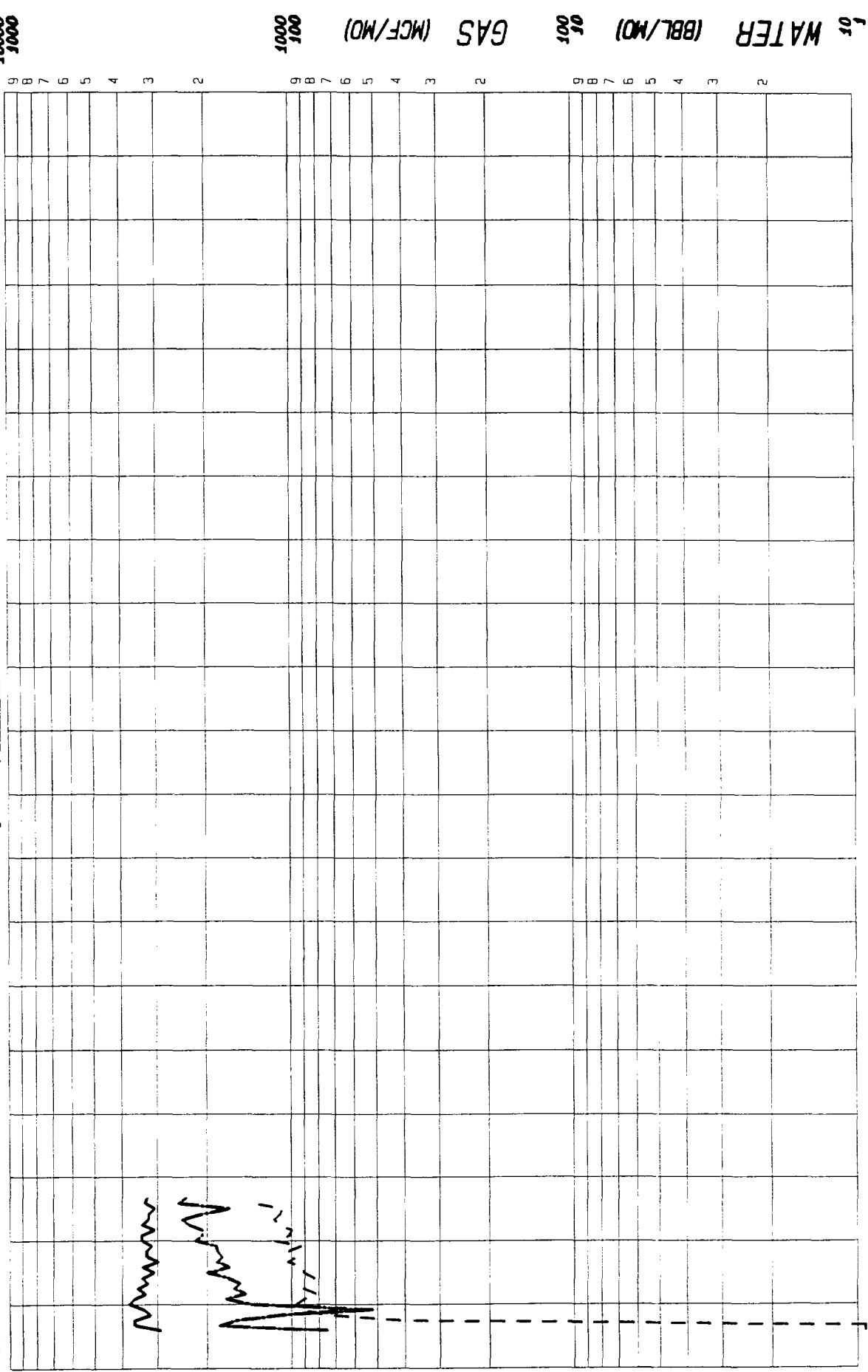
92,440 BO

26,077 MCF

5,002 BW

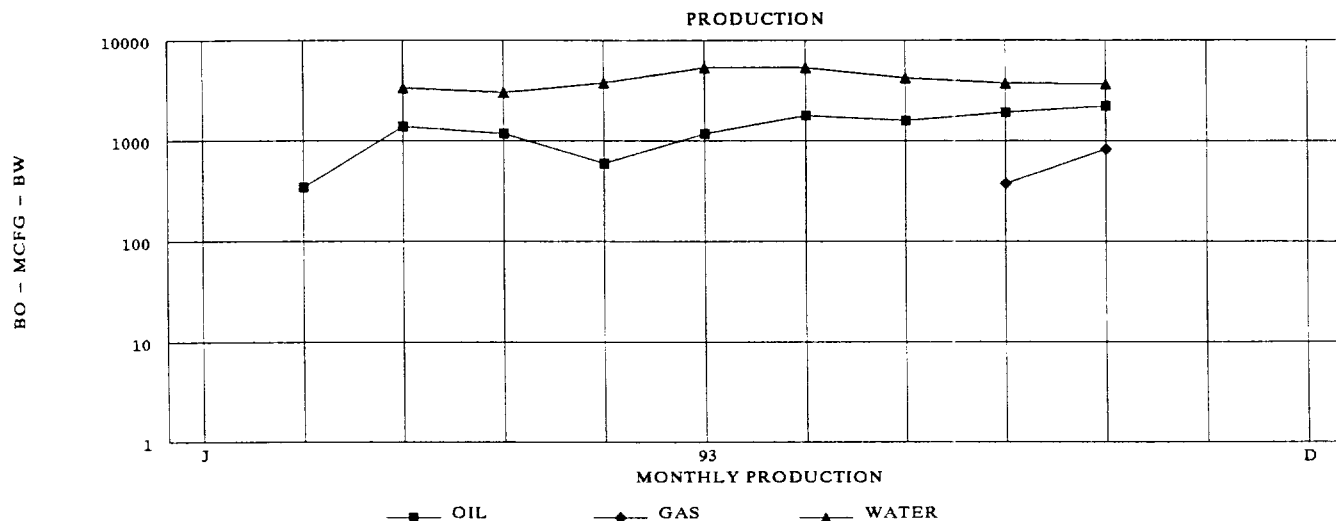
EXHIBIT E-18

Lease: MARK FEDERAL 000002 Dwight's [ENERGYDATA] Inc. Retrieval Code: 150, 025, 20S34E03N00DL

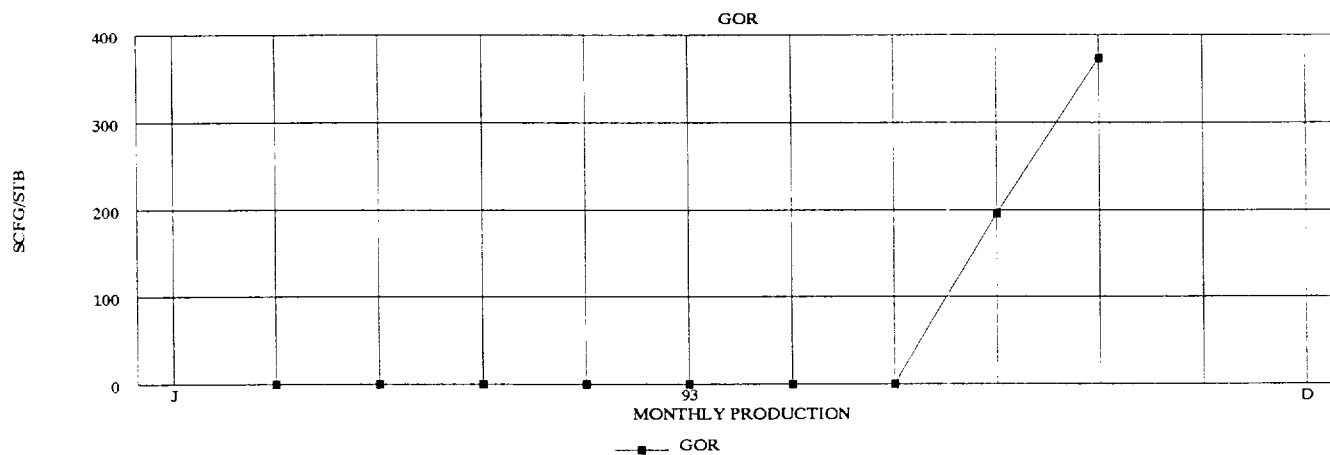


County: LEA State: NM
 Field: QUAIL RIDGE (DELAWARE) DL
 Reservoir: DELAWARE
 Operator: READ & STEVENS INC
 Oil Cum: 86106 Gas Cum: 23419
 Location: IN 205 34E

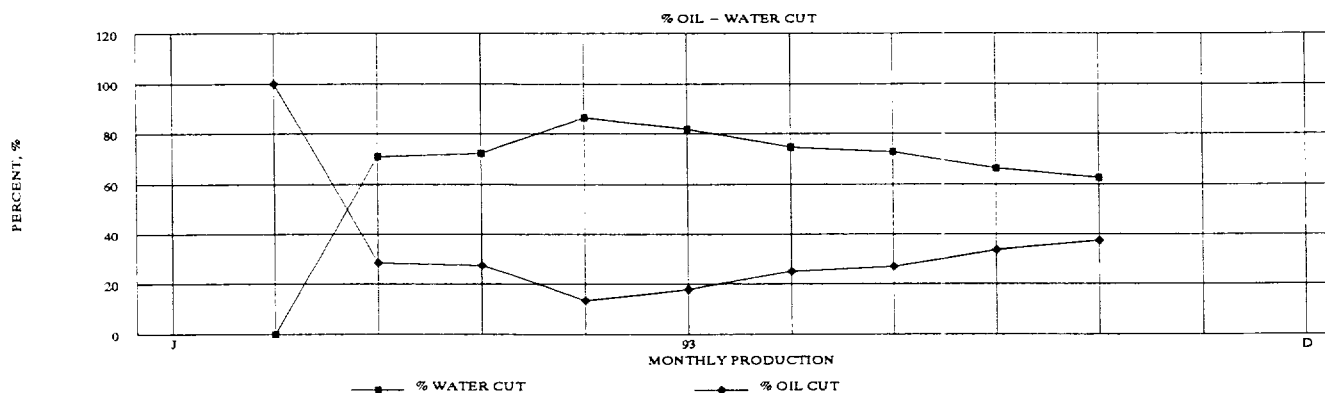
MARK FEDERAL #3



MARK FEDERAL #3



MARK FEDERAL #3



MARK FEDERAL #3

COMPLETED IN FIRST SAND, 5628' - 5680'
& 5534' - 5546'.

UNIT O SECTION 3-T20S-R34E

CUM. PRODUCTION

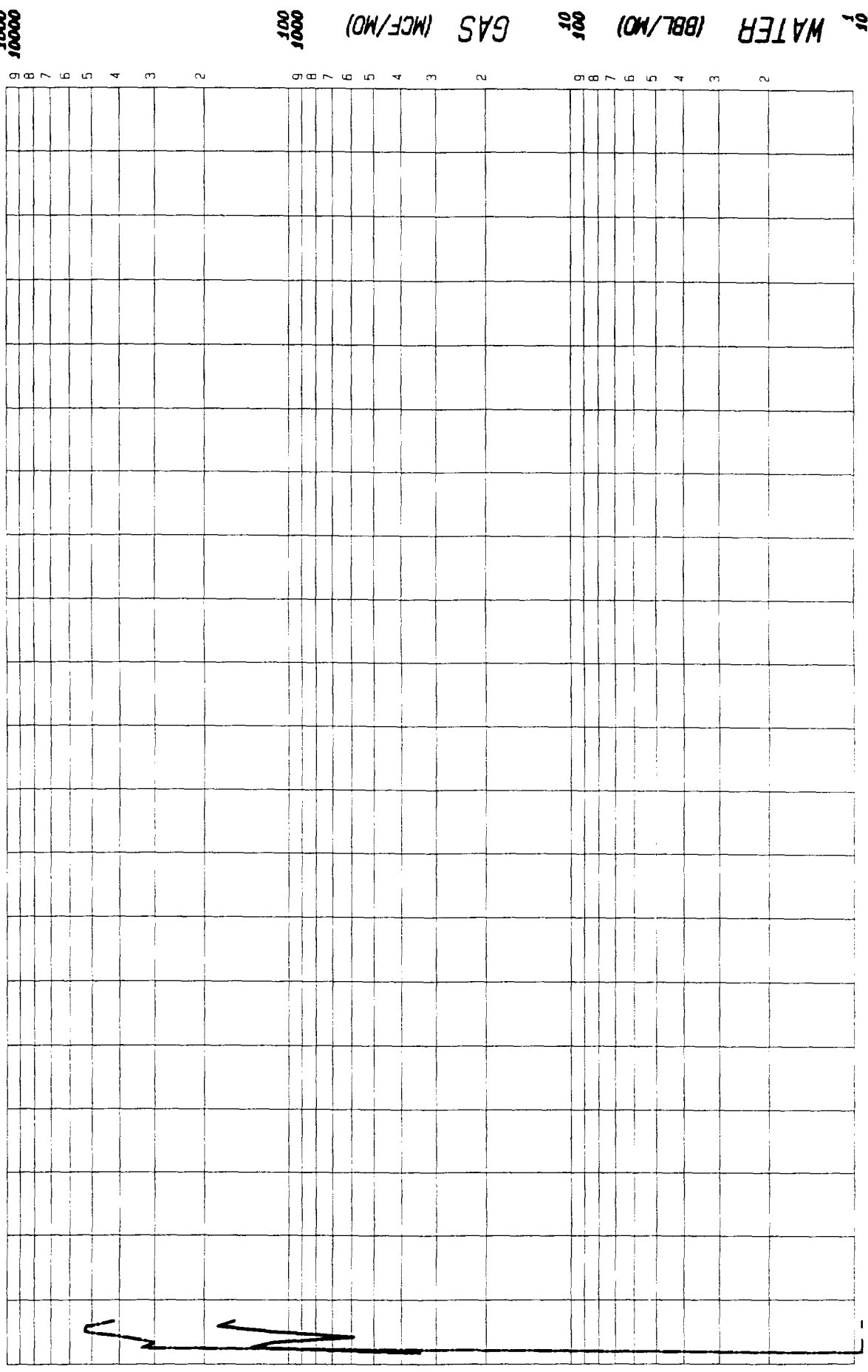
12,041 BO

1,192 MCF

32,191 BW

EXHIBIT E-20

Lease: MARK FEDERAL
 000003 Dwight's [ENERGYDATA] Inc.
 Retrieval Code: 150, 025, 20534E03000DL



County: LEA
 Field: QUAIL RIDGE (DELAWARE) DI
 Reservoir: DELAWARE
 Operator: READ & STEVENS INC.
 Oil Cum: 2963 Gas Cum: 0
 Location: 30 205 341

RIG RELEASED 10-8-93

THIRD SAND WAS "TITE".

SECOND SAND, 5814' - 5836', TESTED WET, 100 BWPD, NO SHOW

SECOND SAND, 5720' - 5724', SWAB TESTED WATER.

FIRST SAND, 5650' - 5670', 11-26-93 31 BO, 0 MCF, 84 BLW, 74 BNW, 24 HRS

MARK FEDERAL #5

UNIT K SECTION 3-T20S-R34E

COMPLETED IN FIRST SAND, 5650' - 5670'

CUM. PRODUCTION

0 BO

0 MCF

0 BW

EXHIBIT E-23

RIG RELEASED 10-25-93

FIRST SAND, 5652' - 5674', 11-14-93 123 BO, 0 MCF, 66 BW, 24 HRS

MARK FEDERAL #6

UNIT L SECTION 3-T20S-R34E

COMPLETED IN FIRST SAND, 5652' - 5674'

CUM. PRODUCTION

0 BO

0 MCF

0 BW

EXHIBIT E-24

RIG RELEASED 9-19-93

FOURTH SAND, 6030' - 6038', ACIDIZED, NO SHOW.

THIRD SAND, 5910' - 5986', 10-30-93, 8 BO, 0 MCFG, 240 BW, 24 HRS.

SECOND SAND, 5698' - 5727', 12-1-93, 1 BO, 0 MCFG,
100 BW, 24 HRS, SQUEEZED.

FIRST SAND, 5548' - 5572', 12-8-93, TESTING. *5548' - 5572'*

MARK FEDERAL #8

TESTING FIRST SAND, 5548' - 5572'

UNIT I SECTION 3-T20S-R34E

CUM. PRODUCTION

0 BO

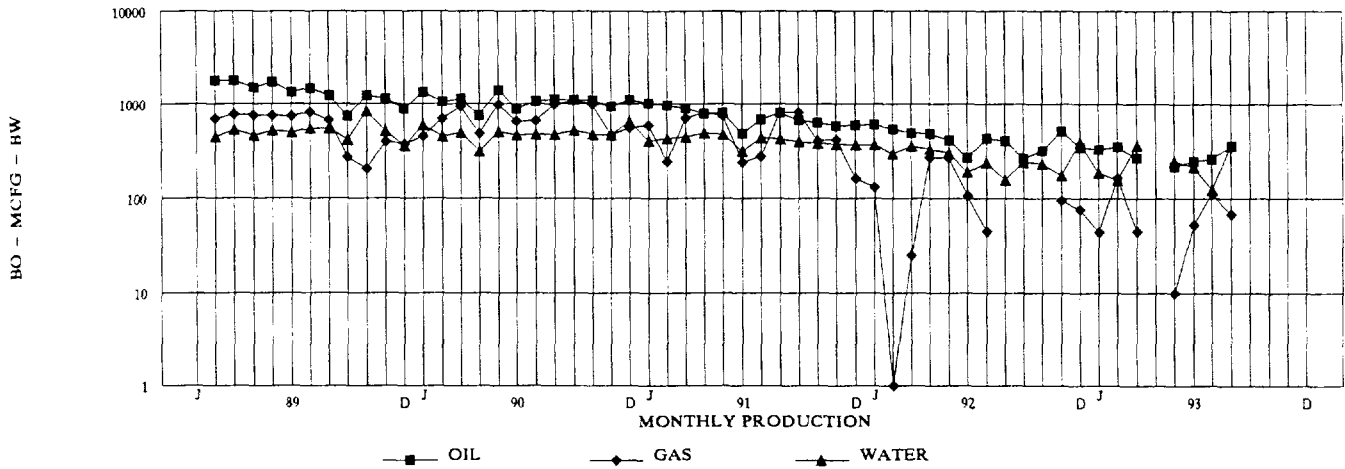
0 MCF

0 BW

EXHIBIT E-25

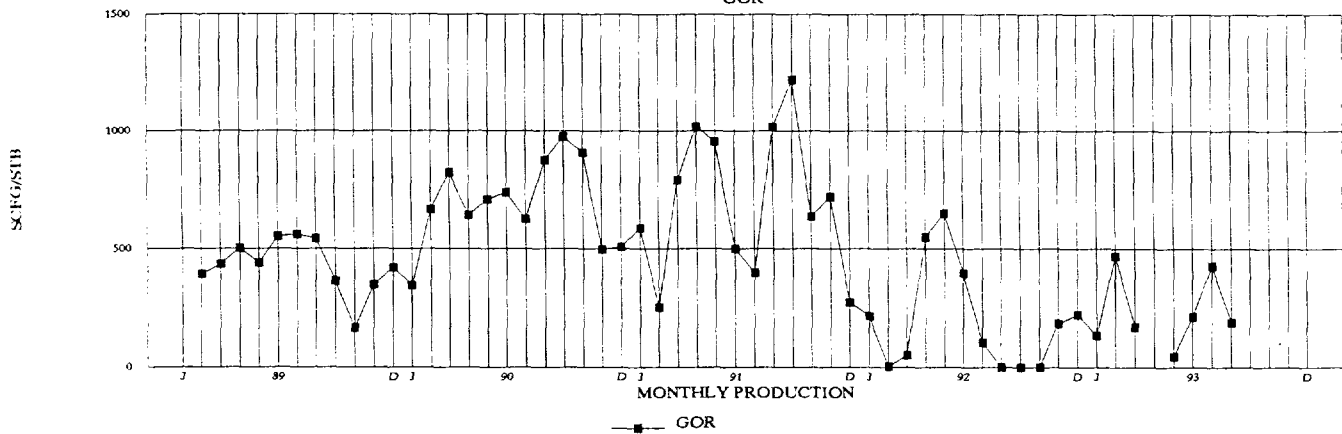
POWELL FEDERAL #1

PRODUCTION



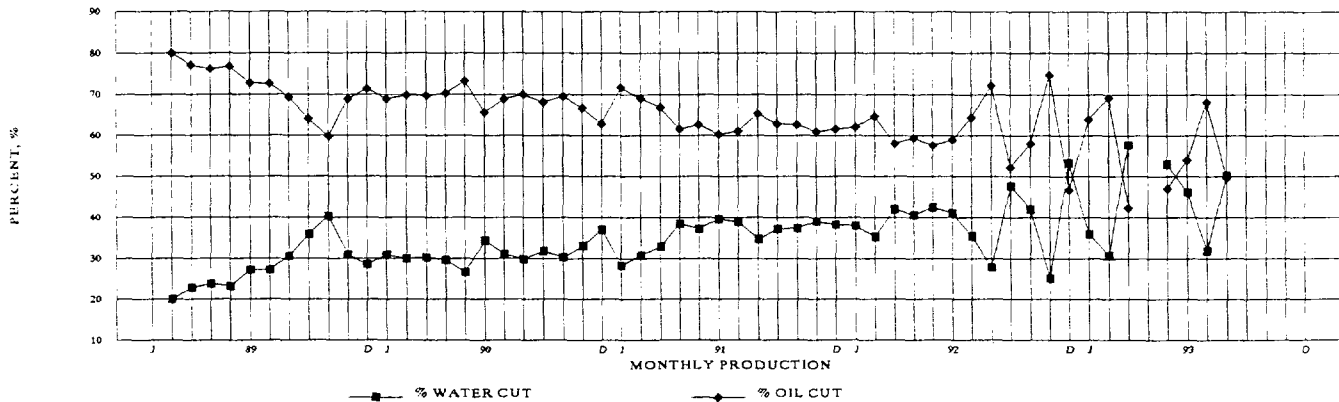
POWELL FEDERAL #1

GOR



POWELL FEDERAL #1

% OIL - WATER CUT



POWELL FEDERAL #1

COMPLETED IN FIRST SAND, 5658' - 5674'.

UNIT P SECTION 4-T20S-R34E

CUM. PRODUCTION

43,932 BO

23,215 MCF

21,468 BW

EXHIBIT E-26

10000
1000

1000
100

GAS (MCF/MO)

10010

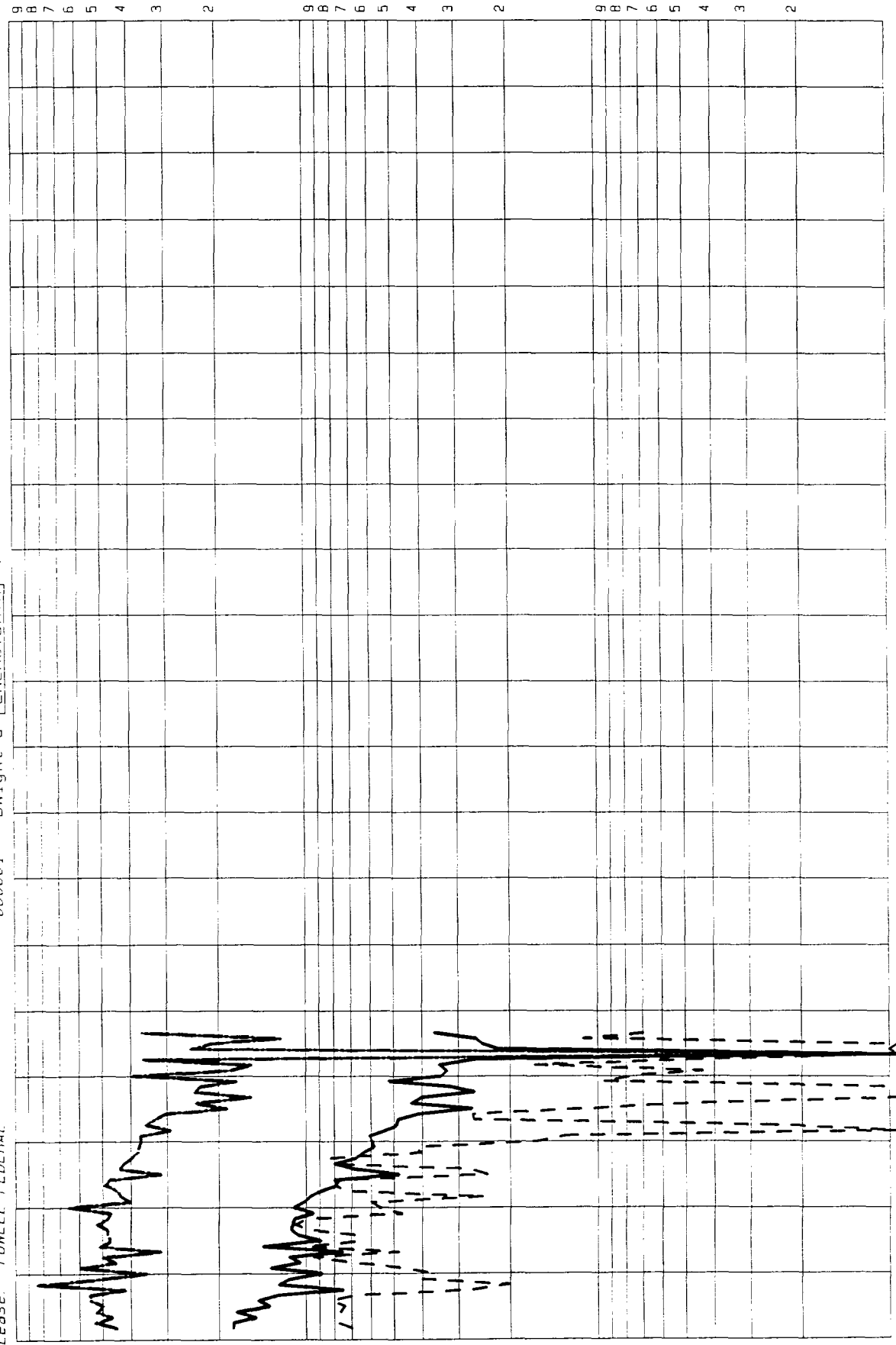
(BBL/MO)

WATER

Retrieval Code: 150.025.20S34E04P00DL

000001 Dwight's ENERGYDATA Inc.

Lease: POWELL FEDERAL



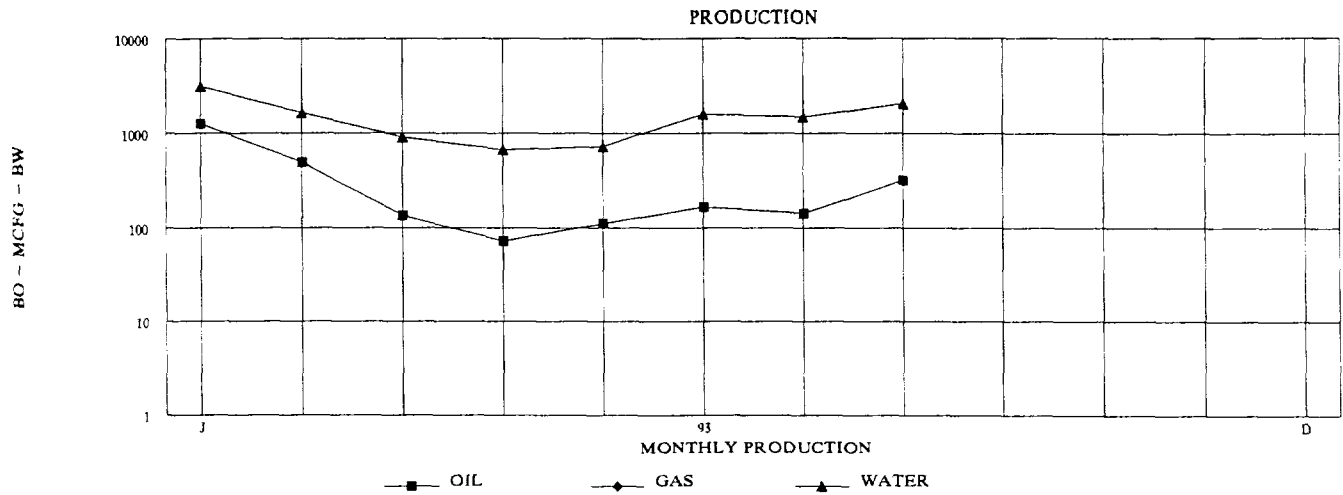
	00	01	02	03	04	05	06	07	08
00	00	01	02	03	04	05	06	07	08
01	09	1A	1B	1C	1D	1E	1F	17	18
02	19	1A	1B	1C	1D	1E	1F	17	18
03	19	1A	1B	1C	1D	1E	1F	17	18
04	19	1A	1B	1C	1D	1E	1F	17	18
05	19	1A	1B	1C	1D	1E	1F	17	18
06	19	1A	1B	1C	1D	1E	1F	17	18
07	19	1A	1B	1C	1D	1E	1F	17	18
08	19	1A	1B	1C	1D	1E	1F	17	18

County	LEA	State	NM
Field	QUAIL RIDGE (WELAWARF) DL		
Reservoir	DELAWARE		
Operator	SNOW OIL & GAS INC		
Oil Cum	43932	Gas Cum	2316.4
Location	4P 20S 34E		

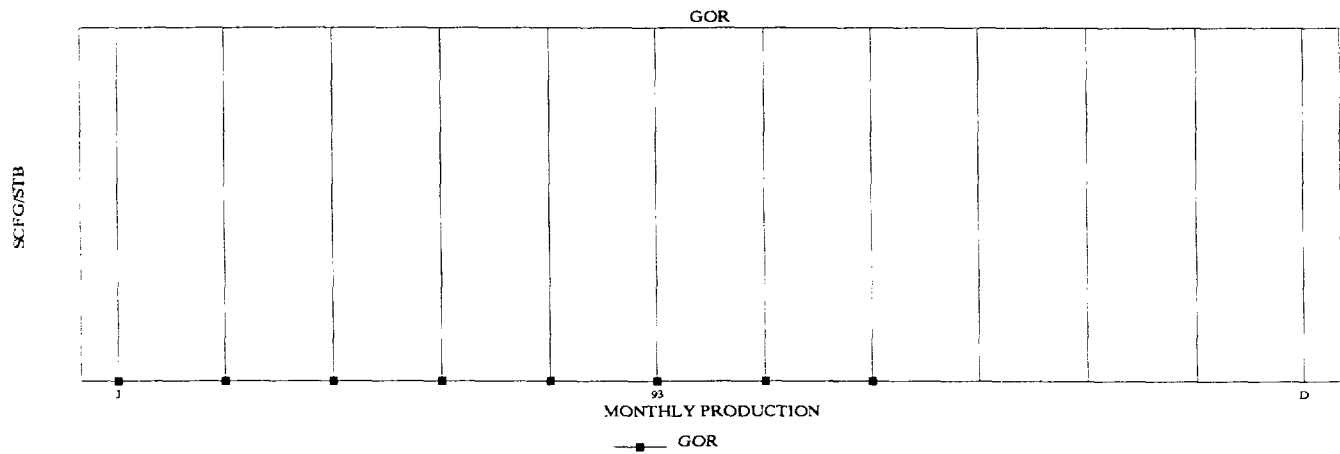
Date: 12-20-93

F P. Date 02-89

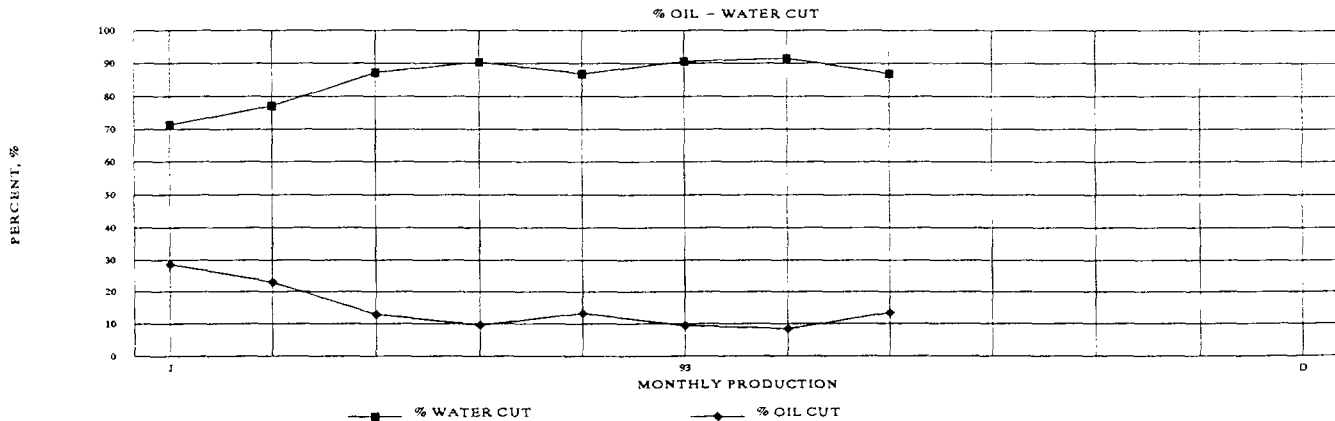
FEDERAL SCJ #1



FEDERAL SCJ #1



FEDERAL SCJ #1



FEDERAL SCJ #1

COMPLETED IN FIRST SAND, 5662' - 5682'
& FOURTH SAND, 6075' - 6100'.

UNIT A SECTION 9-T20S-R34E

CUM. PRODUCTION

2,676 BO

0 MCF

12,230 BW

EXHIBIT E-28

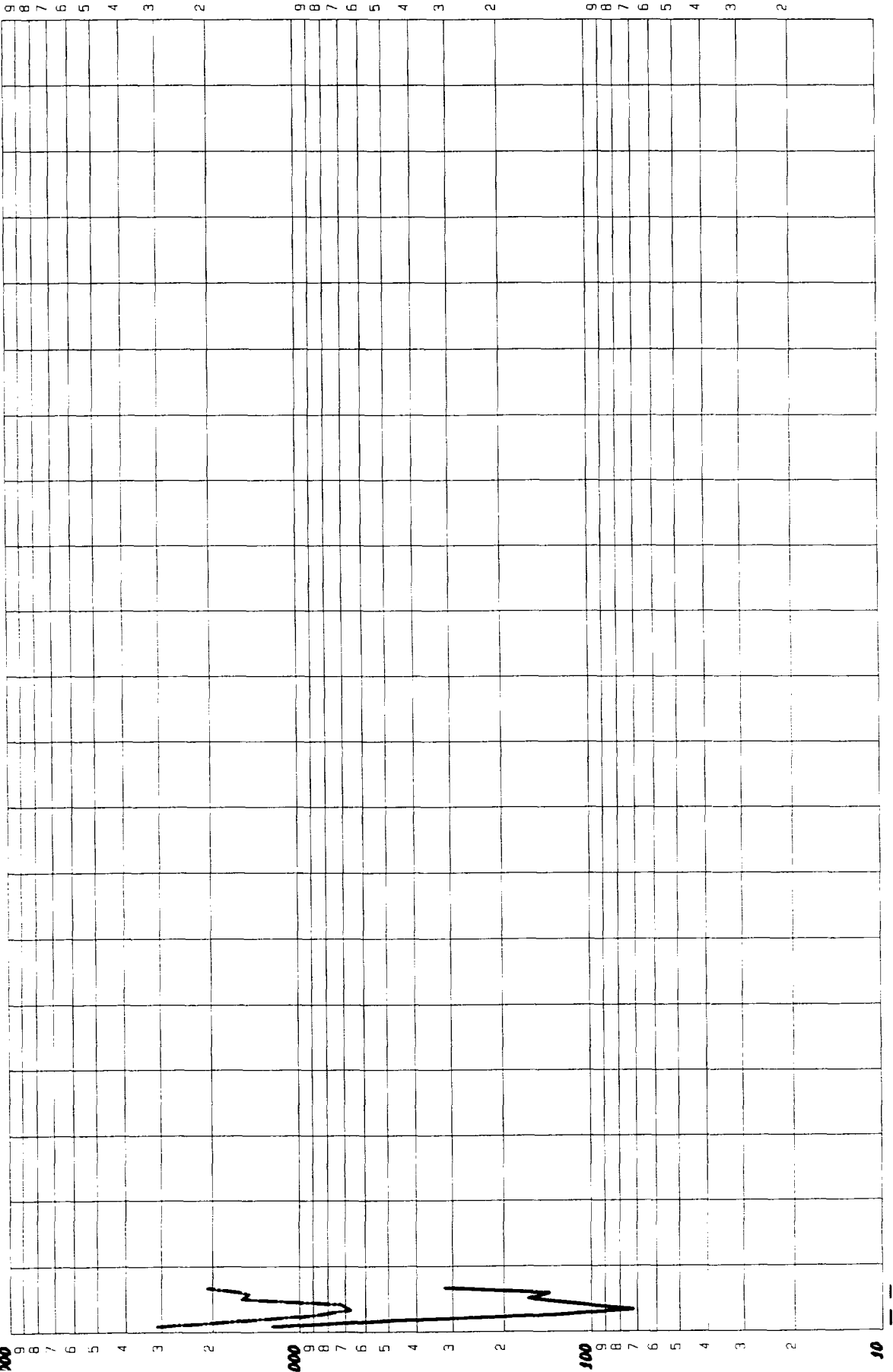
1000
10000

Lease: FEDERAL SCJ

000001 Dwight's ENERGYDATA Inc.

Retrieval Code: 150, 025, 20534E09A00DL

WATER (BBL/MO) 100
GAS (MCF/MO) 100
1000 10000



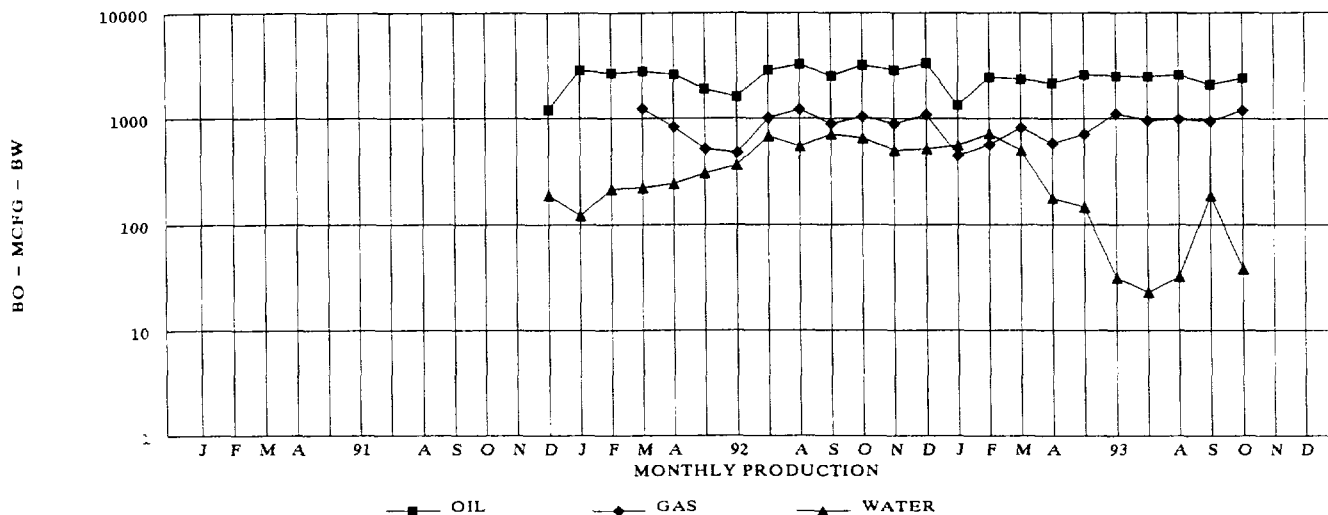
County: LEA State: NM
Field: QUAIL RIDGE (DELAWARE) OIL
Reservoir: DELAWARE
Operator: SNOW OIL & GAS INC
Oil Cum: 2676 Gas Cum: 0
Location: 9A 20S 44E

Date: 12-20-93

F P Date 01-93

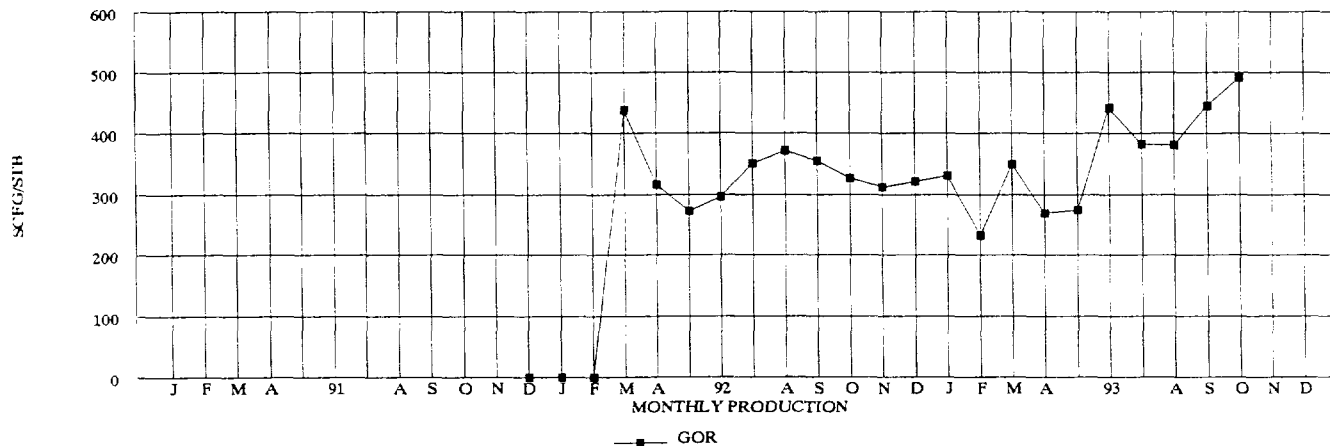
NORTH LEA FEDERAL #4

PRODUCTION



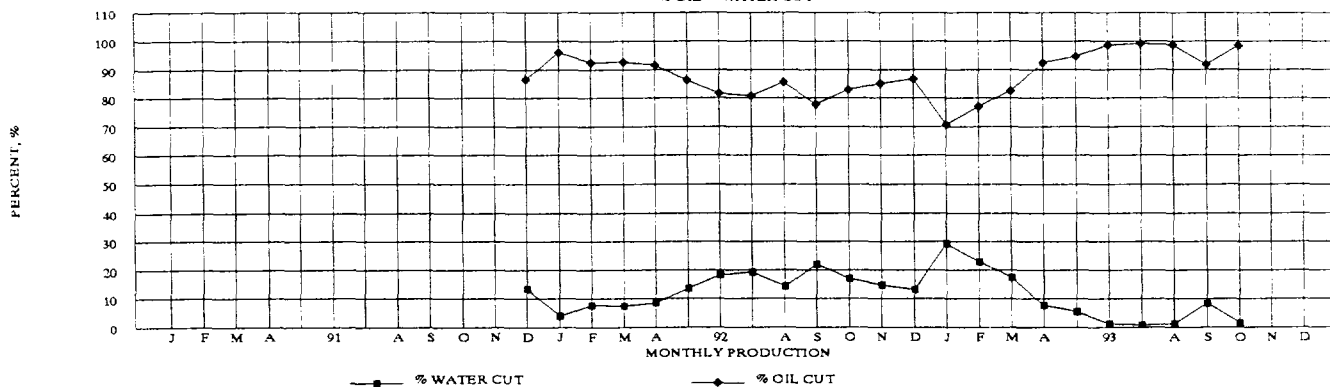
NORTH LEA FEDERAL #4

GOR



NORTH LEA FEDERAL #4

% OIL - WATER CUT



NORTH LEA FEDERAL #4

COMPLETED IN FIRST SAND 5618' - 5651'.

1-21-93 CASING LEAK 4059' - 4090', SQUEEZED.

UNIT D SECTION 10-T20S-R34E

CUM. PRODUCTION

57,349 BO

17,694 MCF

7,729 BW

EXHIBIT E-30

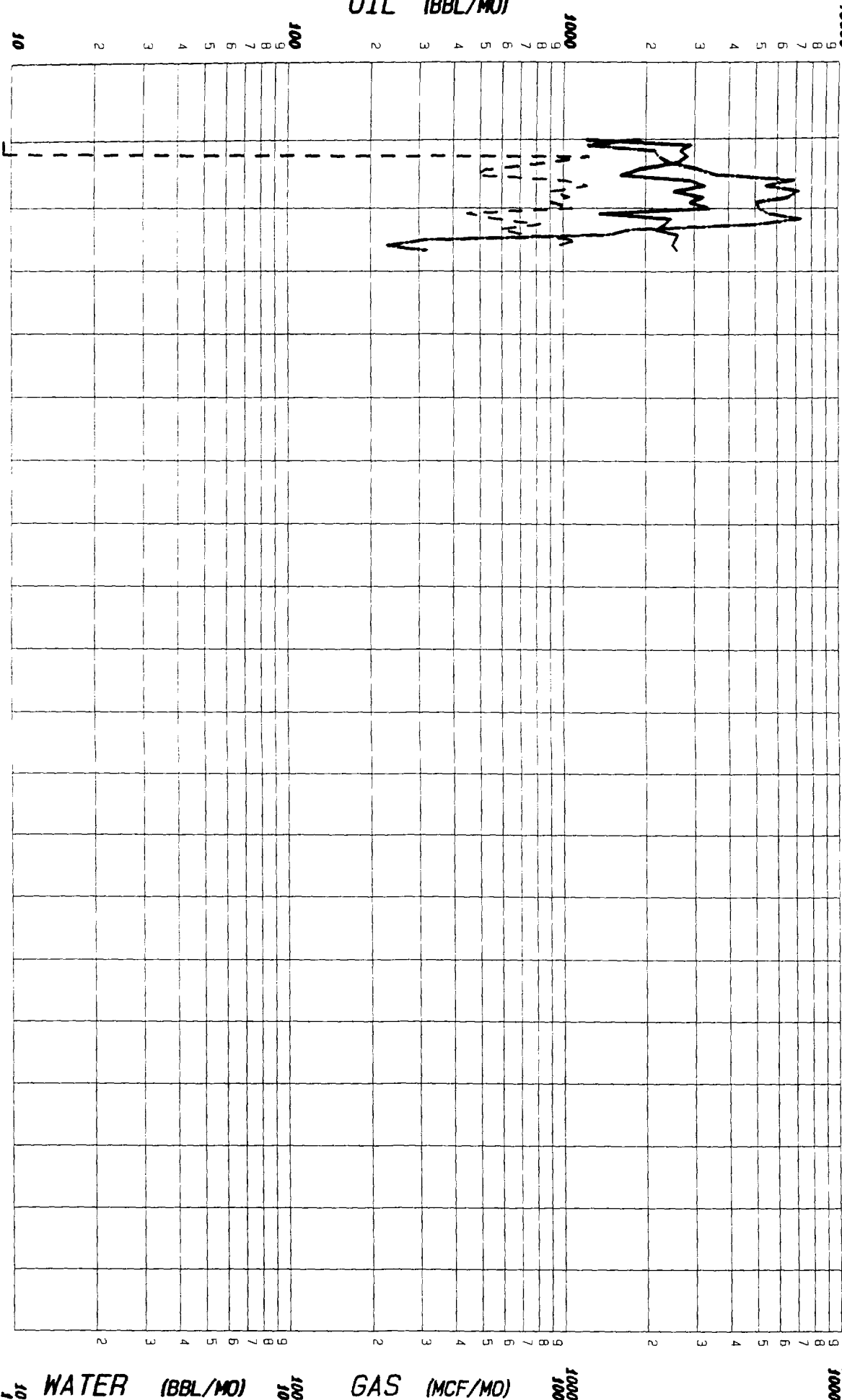


Lease: NORTH LEA FEDERAL

000004

Dwight's ENERGYDATA Inc.

Retrieval Code: 150, 025, 20534E100000L



F-31

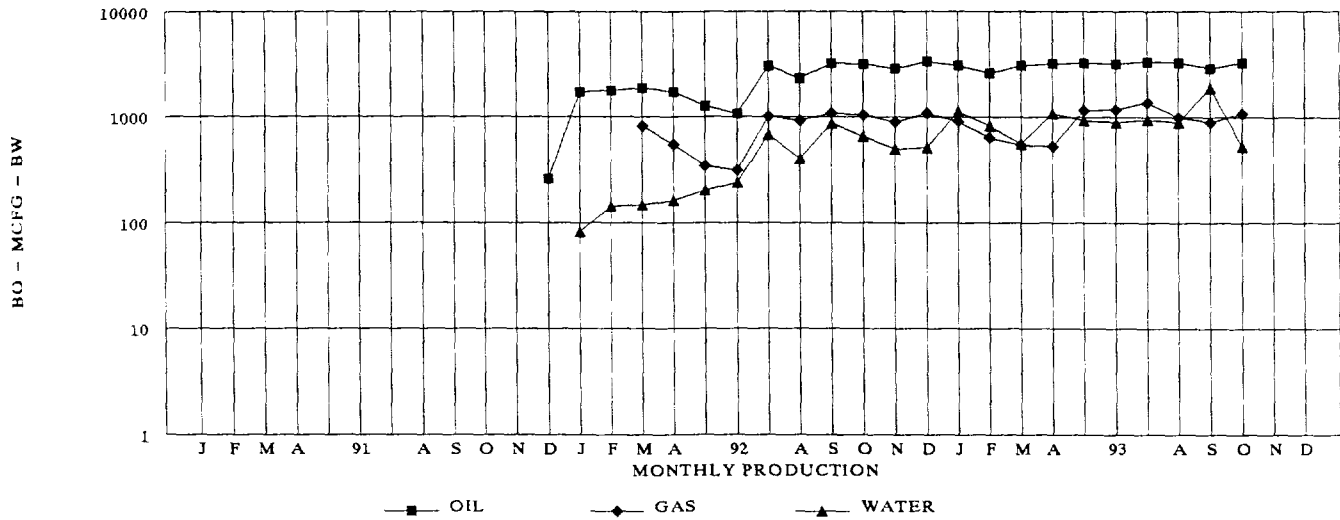
F P Date 12-91

County: LEA
Field: QUAIL RIDGE (DELAWARE) DL
Reservoir: DELAWARE
Operator: HEAD & STEVENS INC
Oil Cum 52751 Gas Cum 15533
Location 100 205 34

Date: 12-20-93

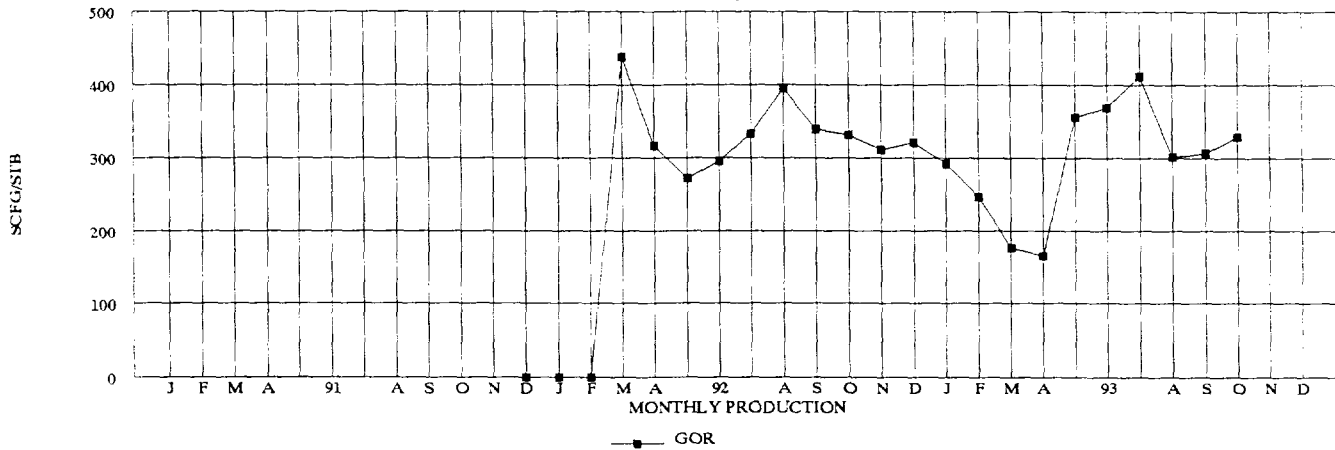
NORTH LEA FEDERAL #5

PRODUCTION



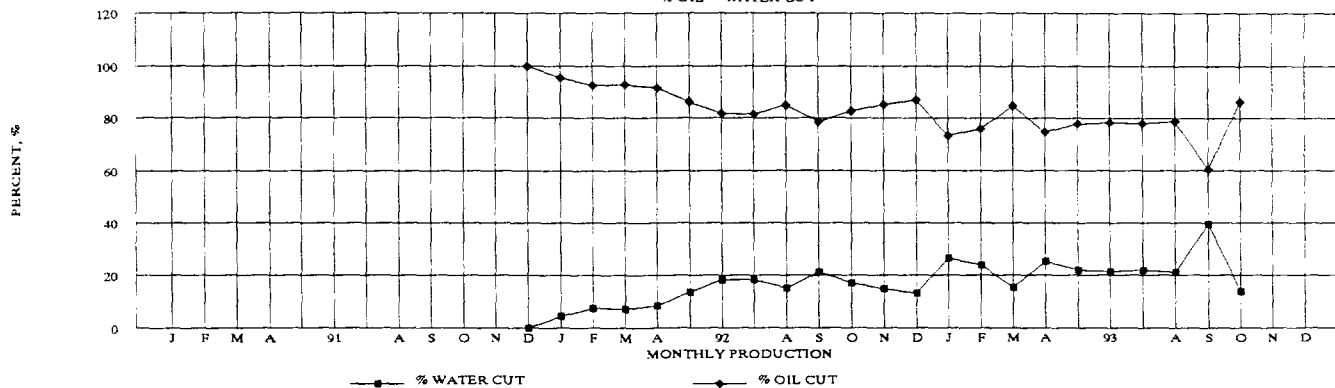
NORTH LEA FEDERAL #5

GOR



NORTH LEA FEDERAL #5

% OIL - WATER CUT



NORTH LEA FEDERAL #5

COMPLETED IN FORTH SAND, 6058' - 6078'.

COMPLETED IN THIRD SAND, LIME EQUIVALENT, 5910' - 5925'.

COMPLETED IN FIRST SAND, 5636' - 5668'.

EXHIBIT E-32

CASING LEAKS 4393'-4248' & 3892'-4029'.

UNIT # SECTION 10-T20S-R34E

CUM. PRODUCTION

59,494 BO

17,577 MCF

14,429 BW

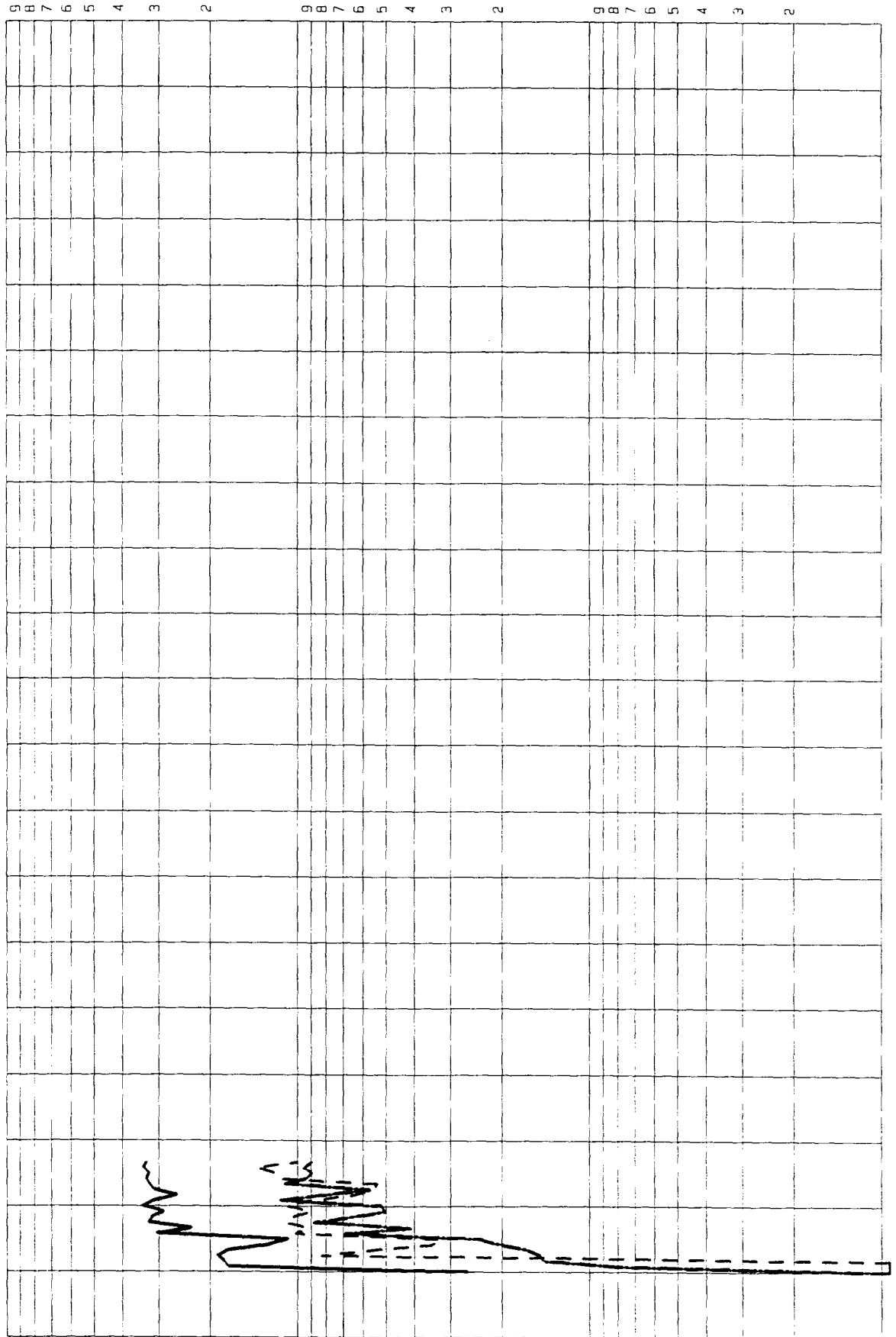
10000
10000

Lease: NORTH LEA FEDERAL

000005 Dwight's [ENERGYDATA] Inc.

Retrieval Code: 150, 025, 20S34E10C00DL

WATER (BBL/MO) 10000
GAS (MCF/MO) 10000



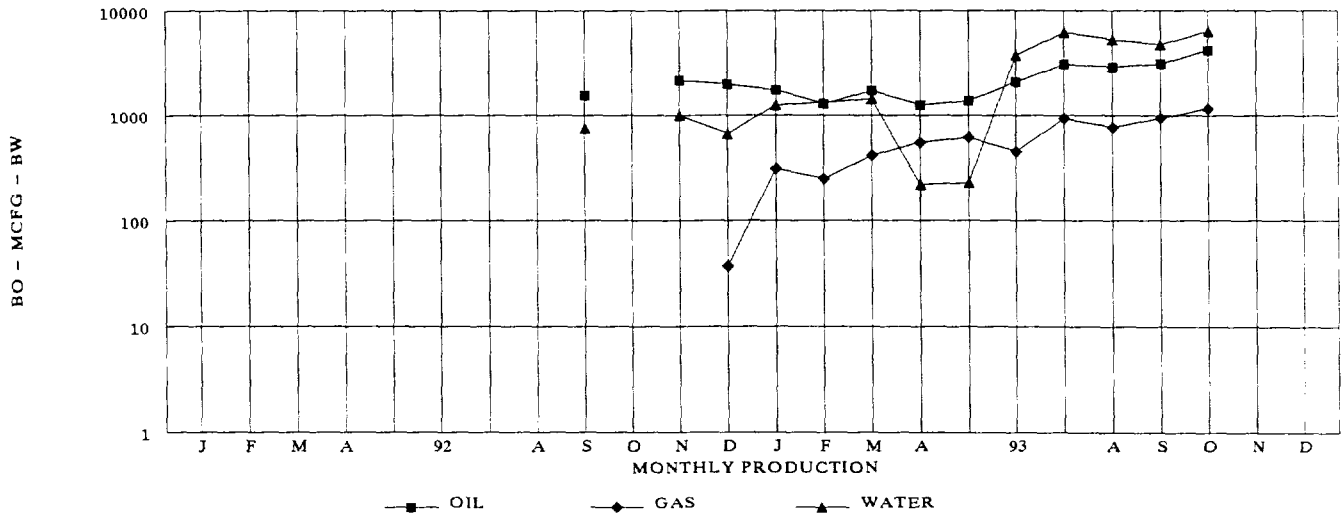
County: LEA State: NM
Field: QUAIL RIDGE (DELAWARE) DL
Reservoir: DELAWARE
Operator: READ & STEVENS, INC.
Oil Cum: 53232 Gas Cum: 15580
Location: 10C 20S 34E

Date: 12-20-93

F P Date 12-91

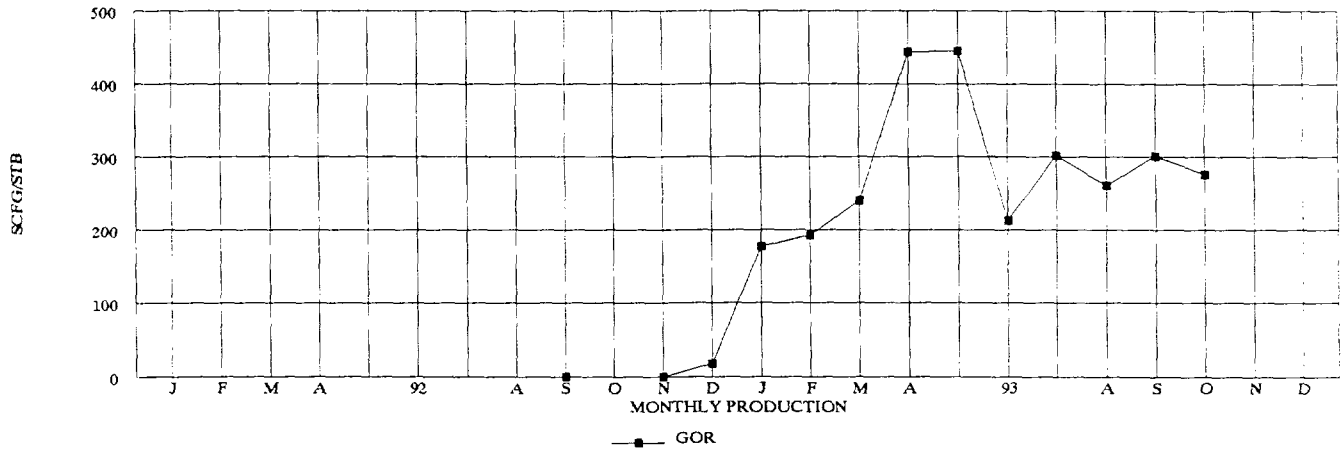
NORTH LEA FEDERAL #6

PRODUCTION



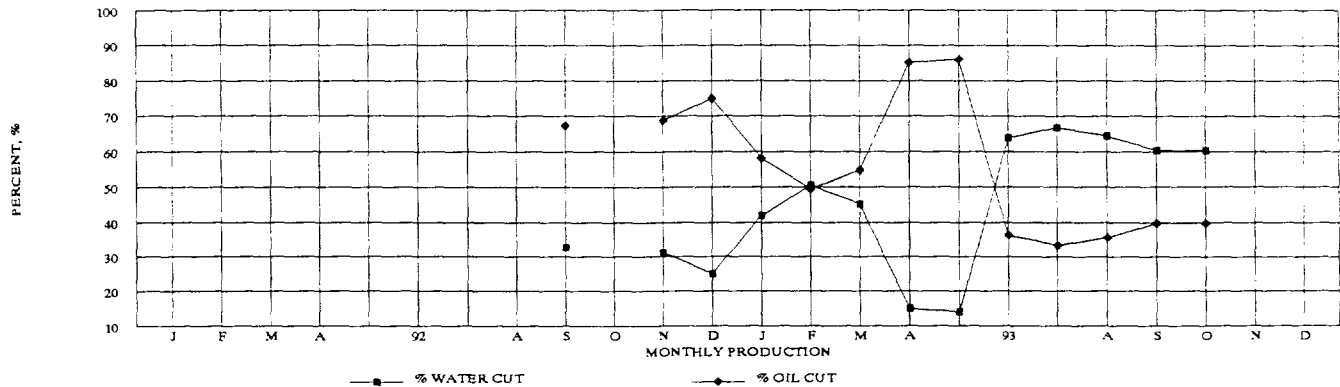
NORTH LEA FEDERAL #6

GOR



NORTH LEA FEDERAL #6

% OIL - WATER CUT



NORTH LEA FEDERAL #6

COMPLETED IN THIRD SAND, 5900' - 5920'.

COMPLETED IN FIRST SAND, 5602' - 5656'.

COMPLETED IN FIRST SAND, 5514' - 5548'.

EXHIBIT E-34

UNIT B SECTION 10-T20S-R34E

CUM. PRODUCTION

28,882 BO

6,502 MCF

33,595 BW

1000
10000

100
1000

100
1000

100
1000

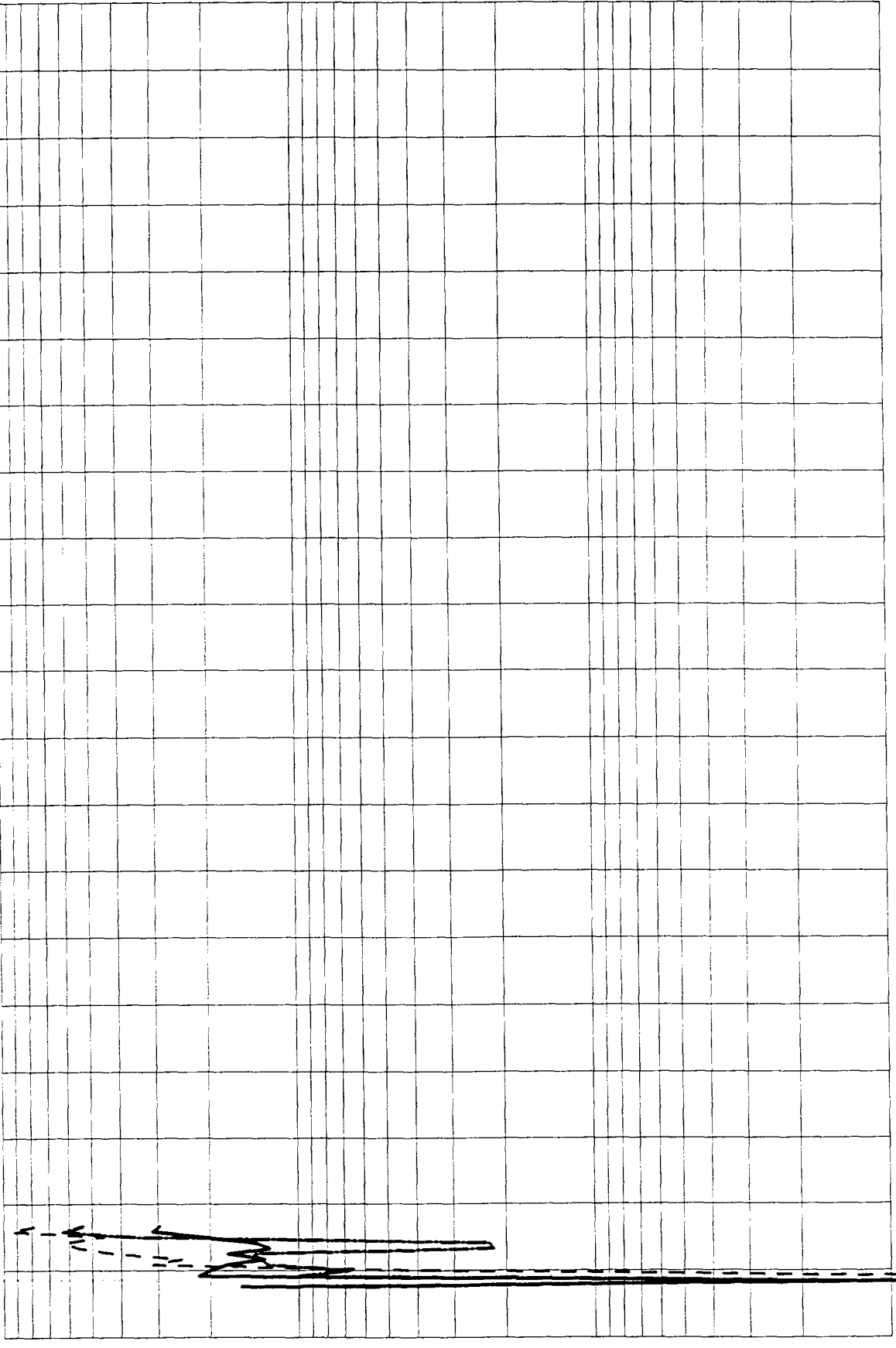
100
1000

100
1000

100
1000

100
1000

Lease: NORTH IEA FEDERAL 000006 Dwight's [ENERGYDATA] Inc. Retrieval Code: 150, 025, 20S34E10B000DL



County: LEA
Field: QUAIL RIDGE (DELAWARE) DL
Reservoir: DELAWARE
Operator: READ & STEVENS INC
Oil Cum: 21461 Gas Cum: 4374
Location: 10B 20S 34E

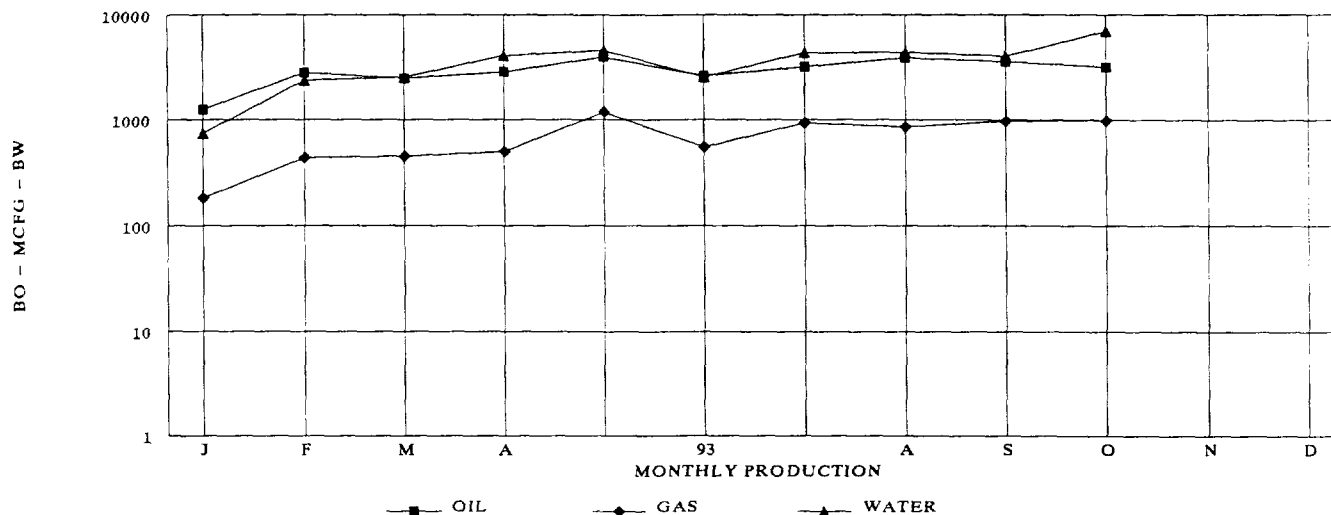
State: NM

Date: 12-20-93

F P Date 09-92

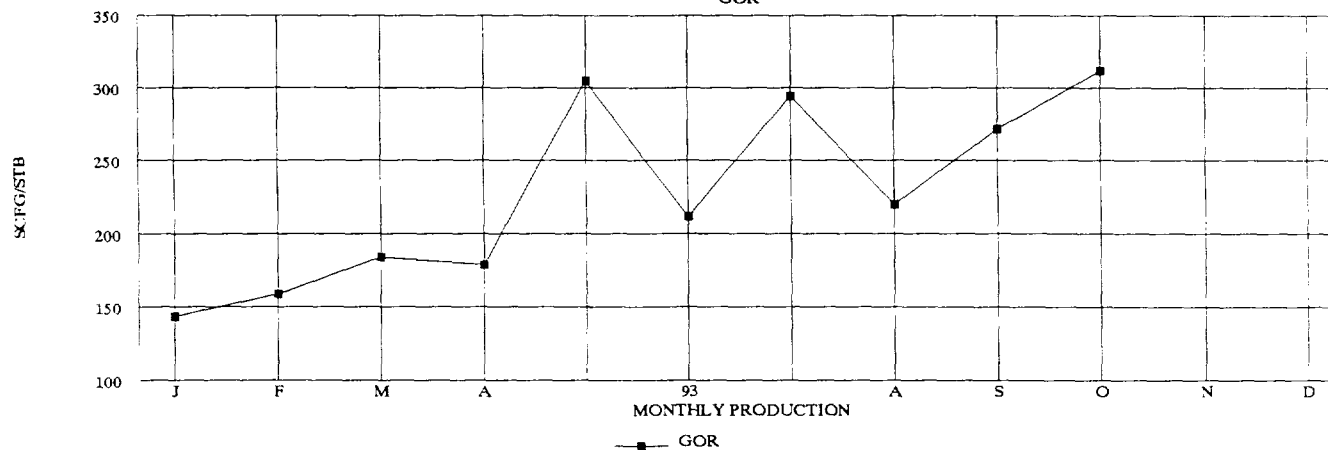
NORTH LEA FEDERAL #7

PRODUCTION



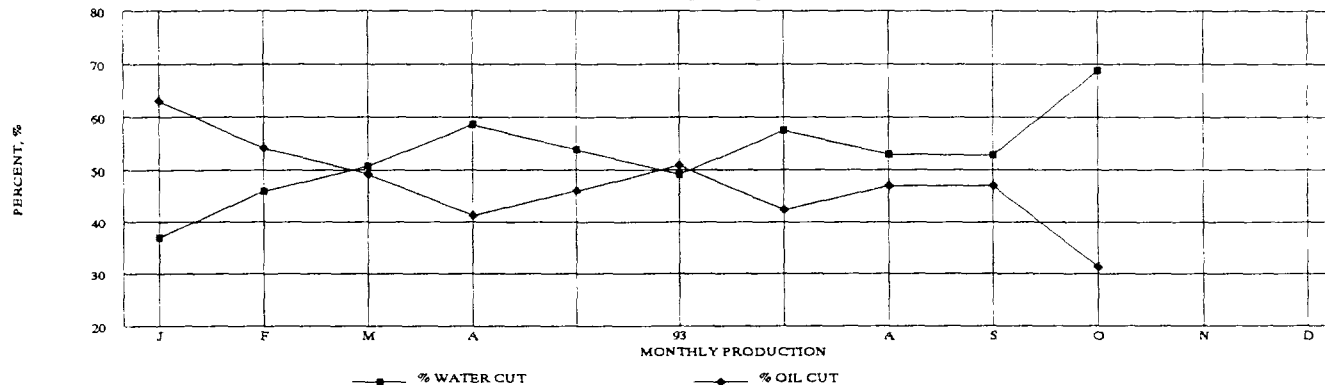
NORTH LEA FEDERAL #7

GOR



NORTH LEA FEDERAL #7

% OIL - WATER CUT



NORTH LEA FEDERAL #7

TESTED THIRD SAND, 5942' - 5962', WET.

COMPLETED IN FIRST SAND 5620' - 5674' & 5556' - 5592'.

UNIT G SECTION 10-T20S-R34E

CUM. PRODUCTION

29,896 BO

7,137 MCF

36,700 BW

EXHIBIT E-36

10000
10000

1000
1000

GAS (MCF/MO)

100
100

(BBL/MO)

1010

Retrieval Code: 150, 025, 20S34E10G00DL

Dwight's ENERGYDATA Inc.

000007

lease NORTH IFA FEDERAL

State: NM

County: IFA

Field: QUAIL RIDGE (DELAWARE) DL

RESERVOIR DELAWARE

Operator: HEAD & STIVENS INC.

Oil Cum.	23105	bas cum	5103
Location	106	208	34F

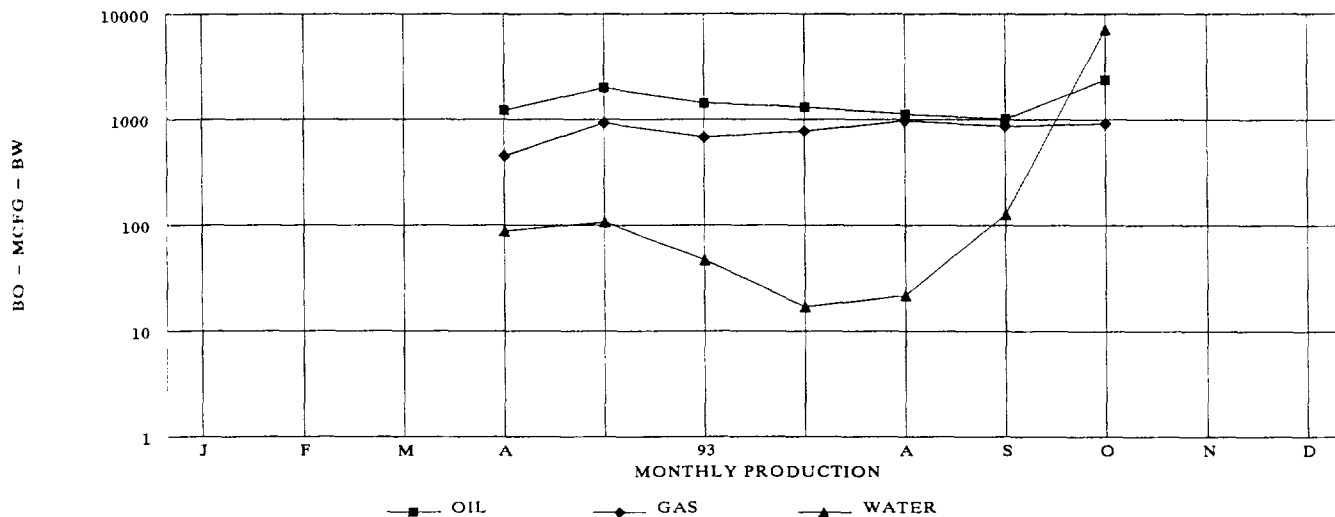
766 007 007 10178701

Date: 12-20-93

FD Date 01-03

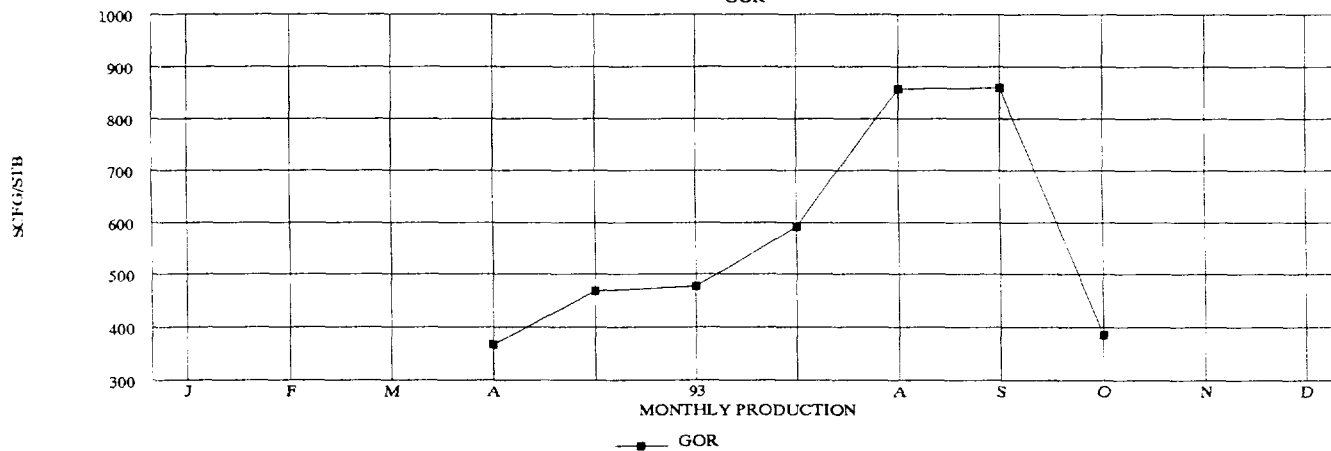
NORTH LEA FEDERAL #8

PRODUCTION



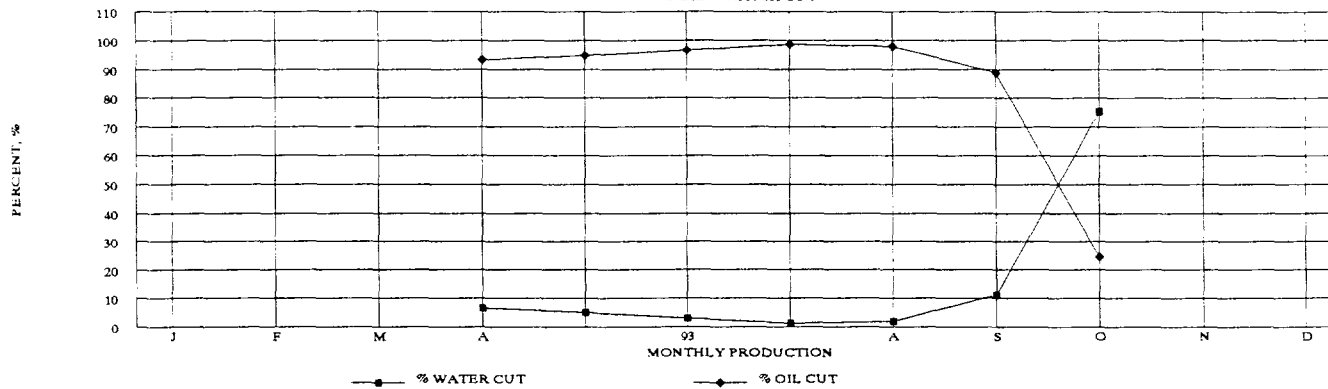
NORTH LEA FEDERAL #8

GOR



NORTH LEA FEDERAL #8

% OIL - WATER CUT



NORTH LEA FEDERAL #8

UNIT F SECTION 10-T20S-R34E

TESTED FOURTH SAND, 6184' - 6220', WET. COMPLETED IN

CUM. PRODUCTION

THIRD SAND LIME EQUIVALENT, 5934' - 5960'. COMPLETED

10,545 BO

IN FIRST SAND 5636' - 5660', 10-15-93, 74BO & 307 BW. FRAC'D INTO 2nd SAND.

5,632 MCF

EXHIBIT **E-38**

COMINGLED 12-1-93, 105 BO, 14 MCFL, 322 BW

7,770 BW

1000
1000

100

GAS (MCF/MO)

1010

(BBL/MO)

WATER

५५

Retrieval Code: 150, 025, 20S34E10F00DL

Dwight's [ENERGYDATA] Inc.

80000

NURIM LEA FEDERAL

356

12

11

10

50

80

07

90

05

04

13

2

1

0

6

1

State: MN

County: LEA

County: LLA
Field: QUAIL RIDGE (DELAWARE) DL

Reservoir: DELAWARE

Operator: READ & STEVENS INC

Oil Cum	Gas Cum	3826
7123		

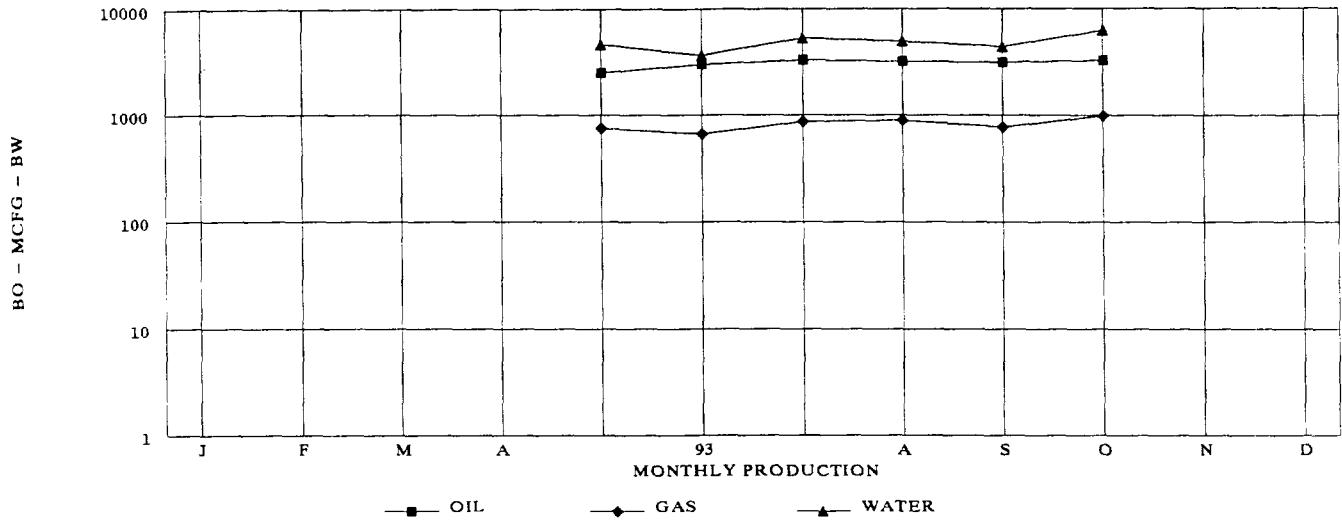
THE 502 FOR 001 19.701

Date: 12-20-93

F P Date 04 93

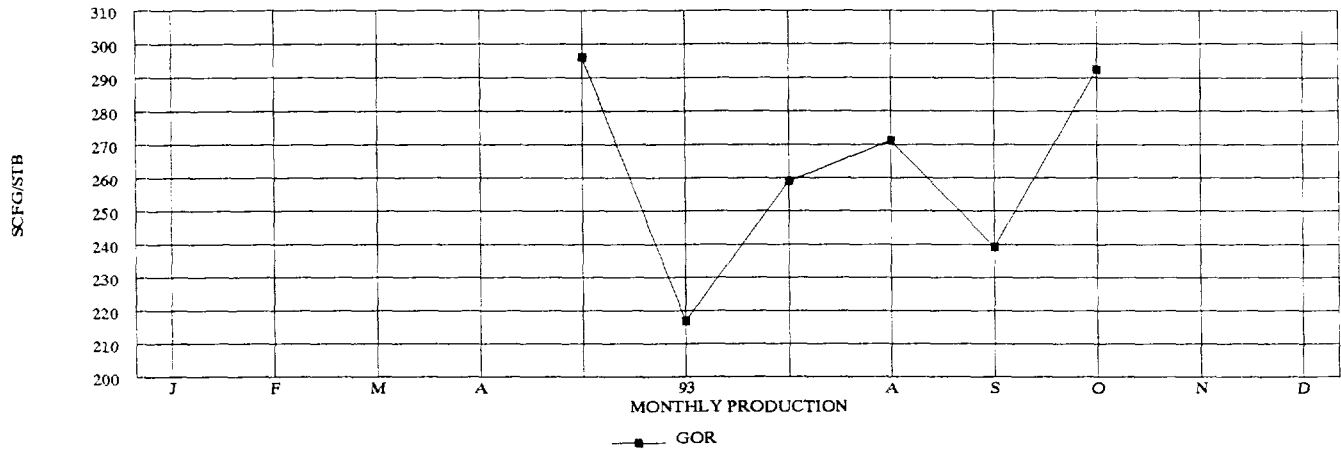
NORTH LEA FEDERAL #9

PRODUCTION



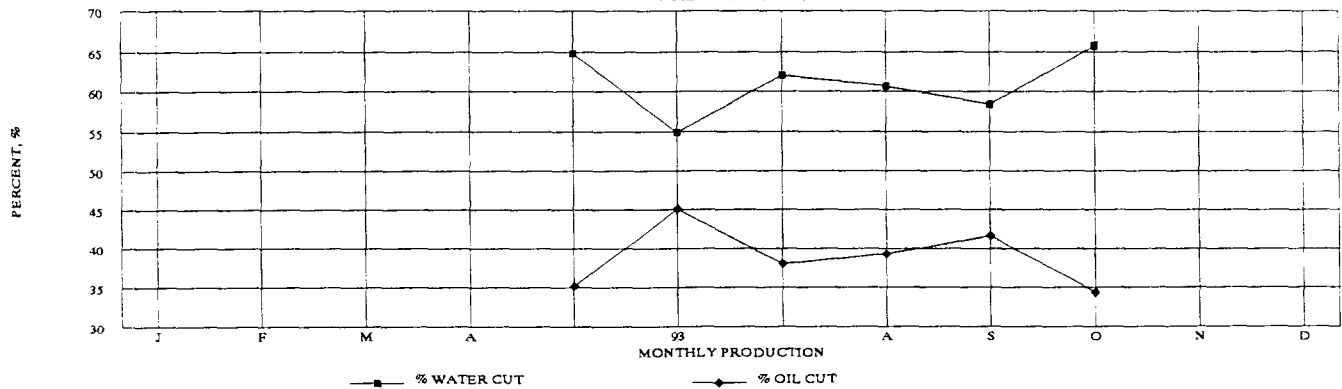
NORTH LEA FEDERAL #9

GOR



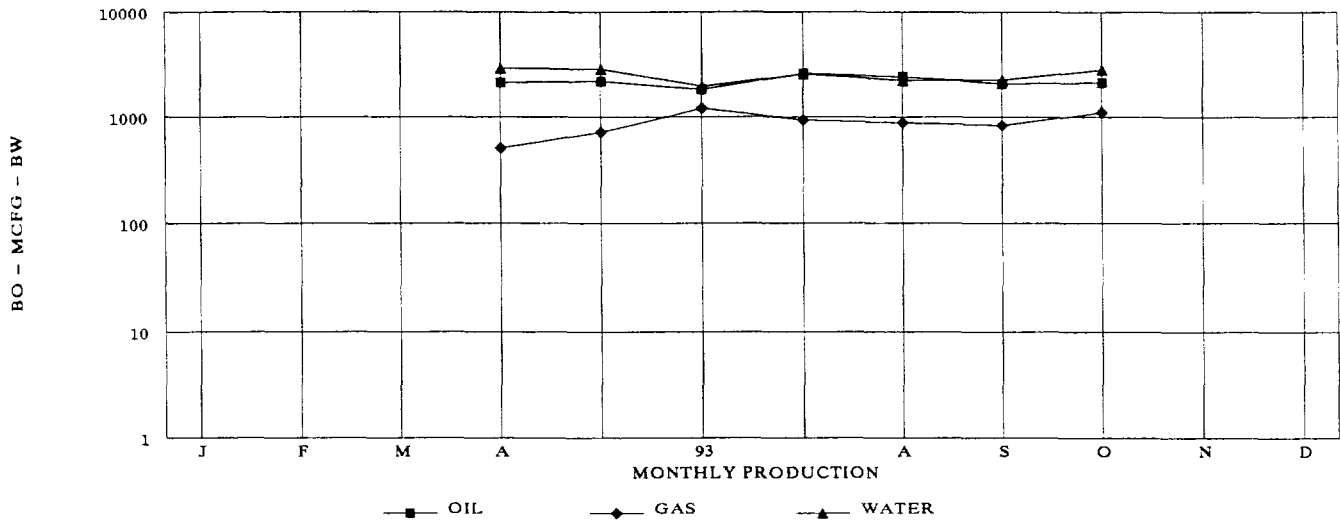
NORTH LEA FEDERAL #9

% OIL - WATER CUT



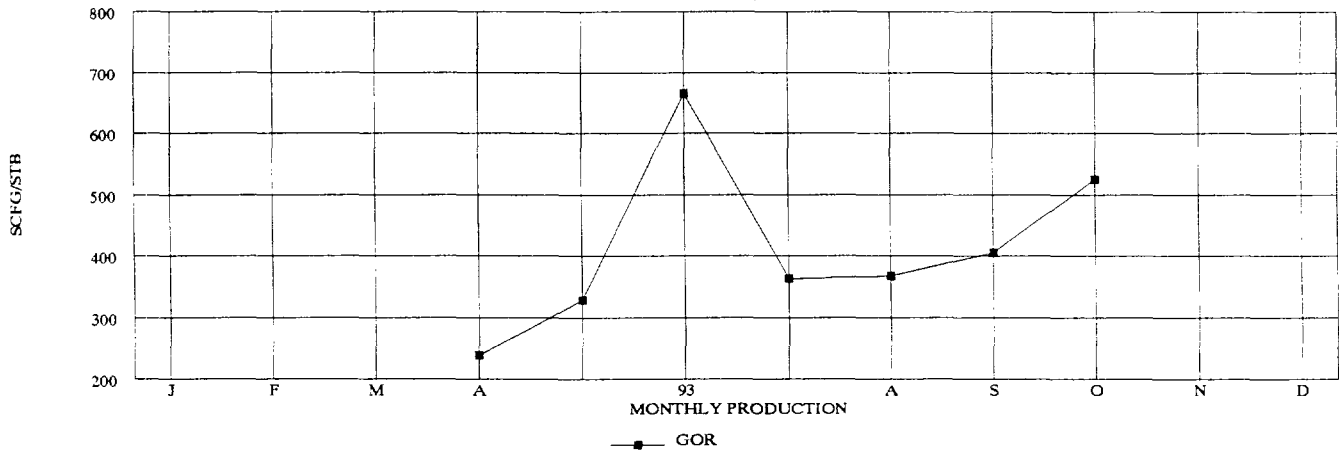
NORTH LEA FEDERAL #10

PRODUCTION



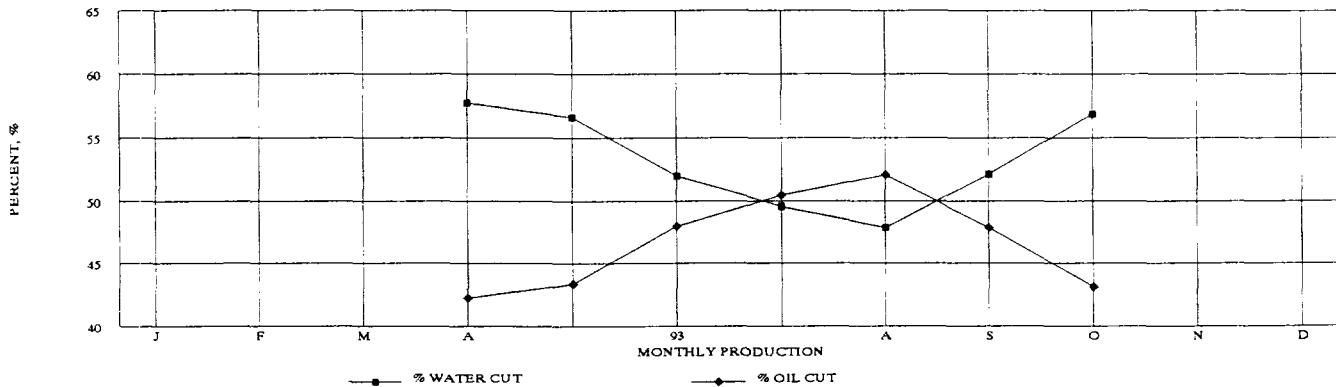
NORTH LEA FEDERAL #10

GOR



NORTH LEA FEDERAL #10

% OIL - WATER CUT



NORTH LEA FEDERAL #10

COMPLETED IN THIRD SAND, 5910' - 5930'.
FIRST SAND IS A POTENTIAL PAY.

UNIT A SECTION 10-T20S-R34E

CUM. PRODUCTION

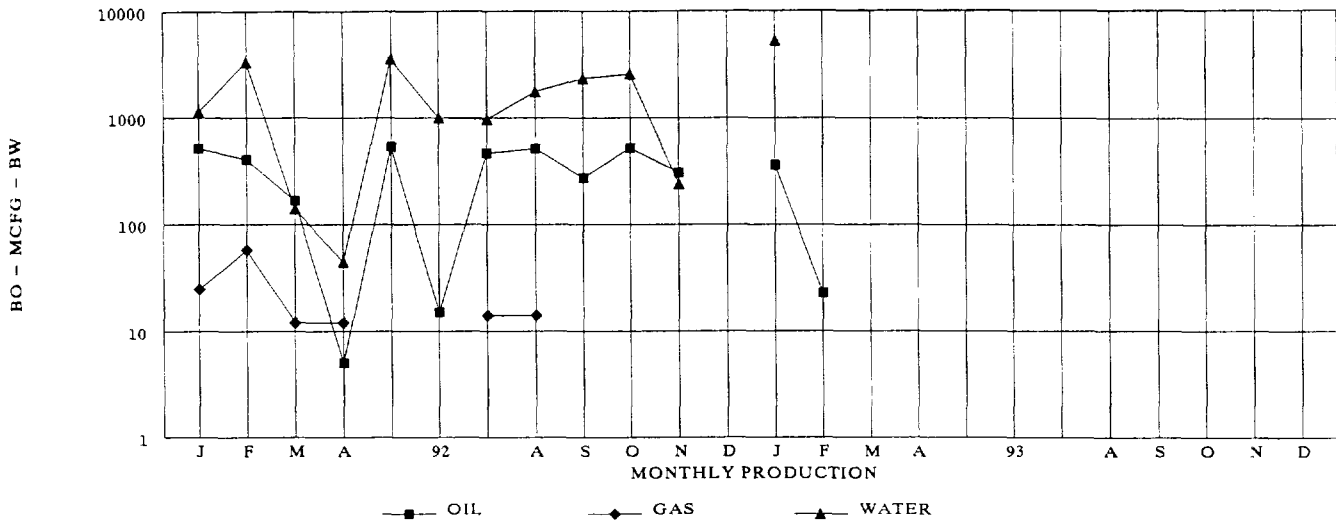
15,331 BO

6,222 MCF

17,555 BW

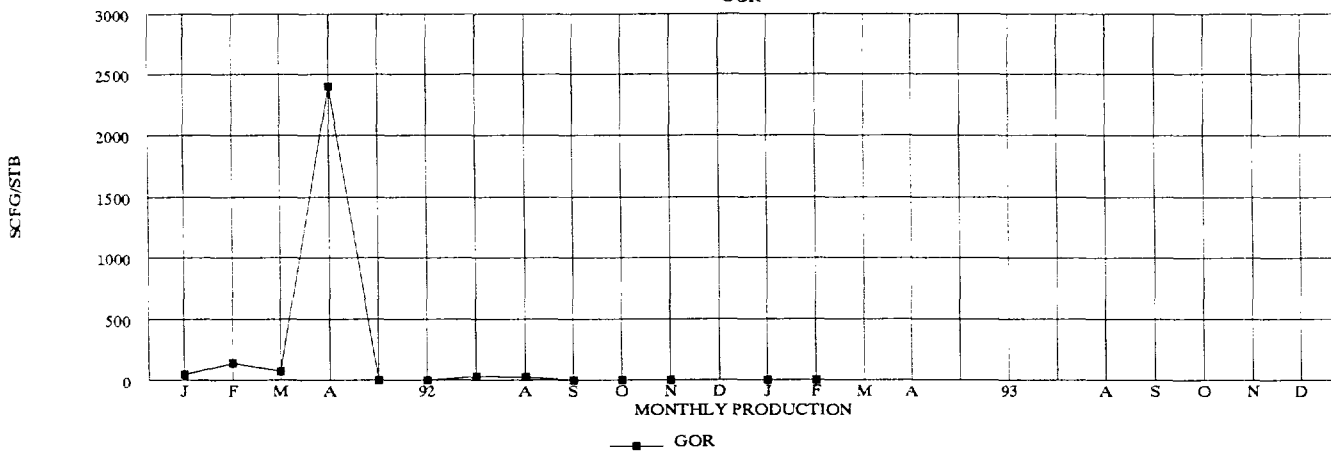
UNION "A" FEDERAL #2

PRODUCTION



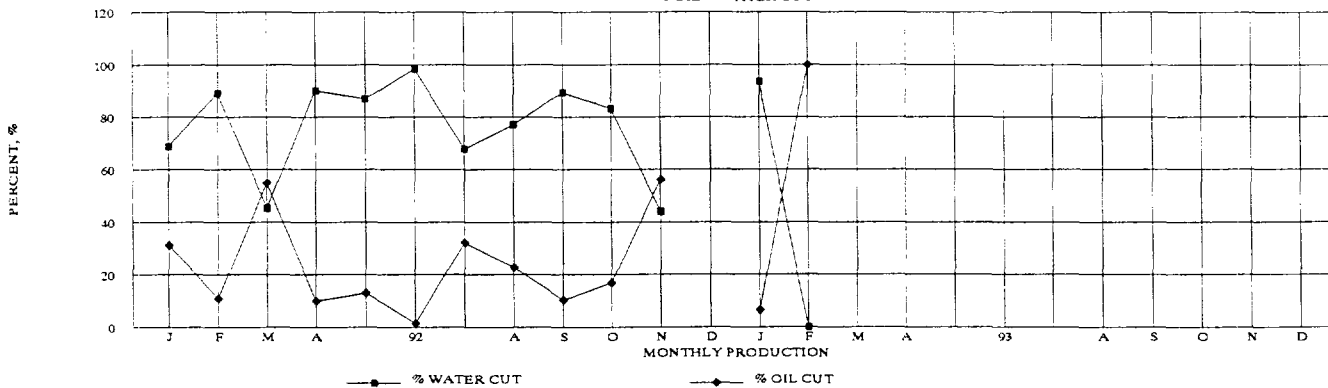
UNION "A" FEDERAL #2

GOR



UNION "A" FEDERAL #2

% OIL - WATER CUT



UNION "A" FEDERAL #2

COMPLETED IN FIRST SAND 5660' - 5690'.

UNIT K SECTION 10-T20S-R34E

CUM. PRODUCTION

4,155 BO

135 MCF

22,494 BW

EXHIBIT E-44

1000
10000

100
1000

GAS (MCF/MO)

100
1000

WATER (BBL/MO)

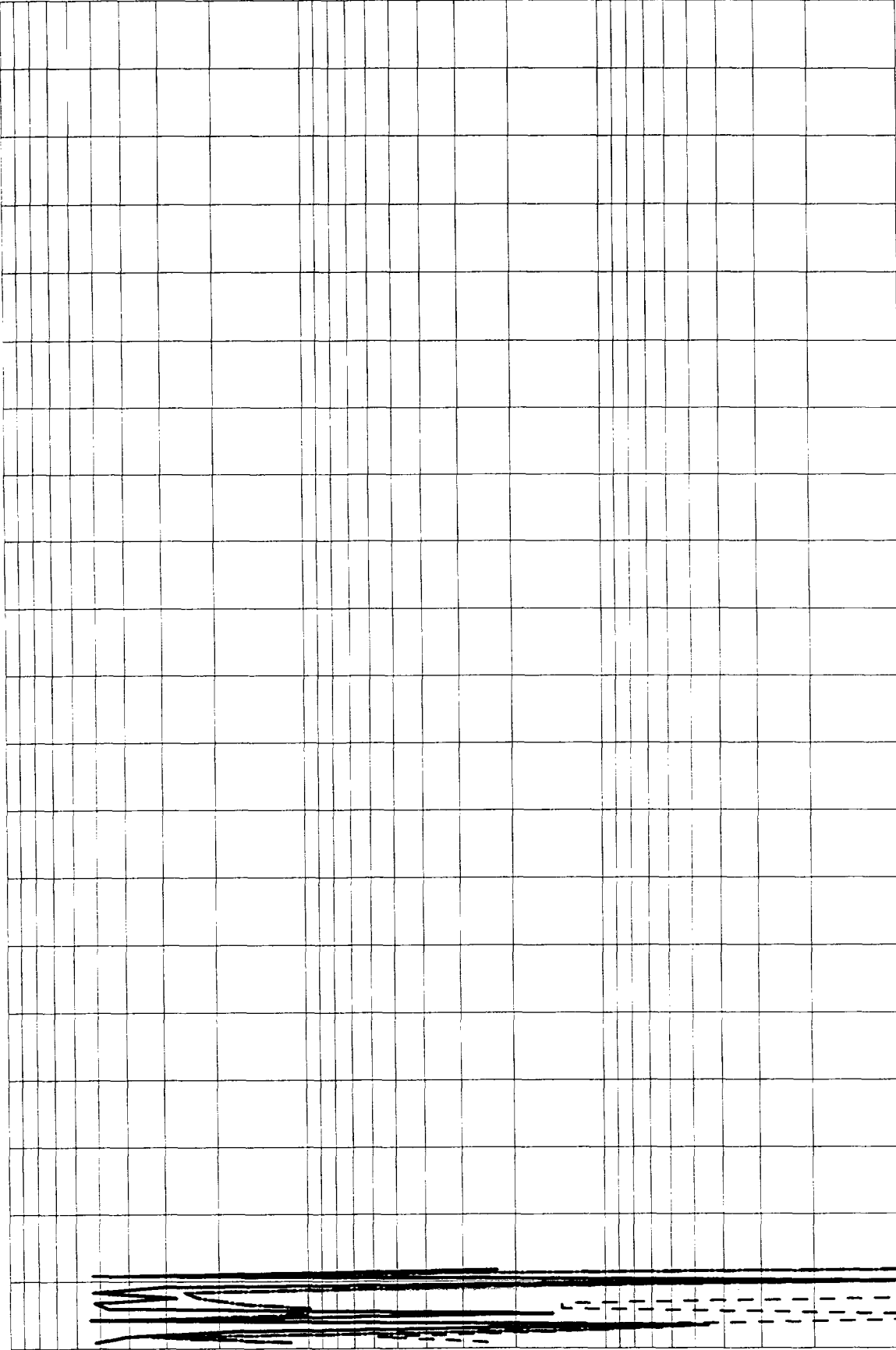
100
1000

100
1000

Lease: UNION A FEDERAL

000002 Dwight's ENERGY DATA Inc.

Retrieval Code: 150, 025, 20S34E10K000DL



State NM

County: LEA
Field: QUAIL RIDGE (OFFLAWARE) DI
Reservoir: DELAWARE
Operator: SNOW OIL & GAS INC
Oil Cum: 4155 Gas Cum: 135
Location: 10K 20S 34E

F P Date 01-92

Date: 12-20-93



A Baker Hughes company

Post-It™ brand fax transmittal memo 7671 # of pages 1

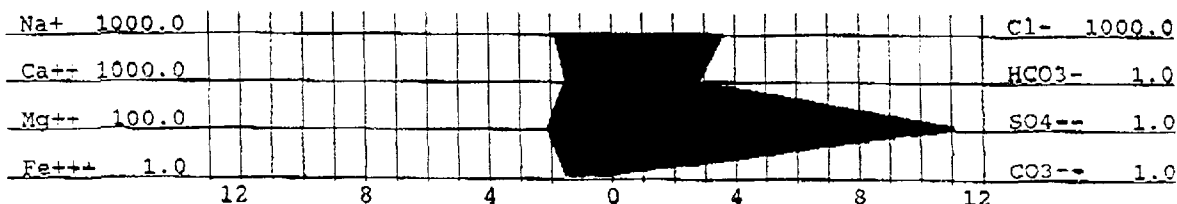
To: <u>Armstrong</u>	From: <u>Don Blackstock</u>
On: _____	Co: <u>Baker</u>
Dept: _____	Phone #: _____
Fax #: _____	Fax #: _____

Date of Analysis: DECEMBER 9, 1992
 Company: ARMSTRONG ENERGY
 State: N/D
 Lease: MOBIL LEA ST. #1
 Oil (bbl/day): N/D
 Type of Water: PRODUCED
 Sample Source: WELL HEAD
 Representative: DON BLACKSTOCK

Analysis #: 1822
 Company Address: N/D
 Field: N/D
 Well #: # 1
 Water (bbl/day): N/D
 Temp., C: 16
 Date of Sampling: DECEMBER 9, 1992
 Analysis By: SUZANNE WILLIAMS

WATER ANALYSIS PATTERN

(number beside ion symbol indicates me/l scale unit)



DISSOLVED SOLIDS

CATIONS	me/l	mg/l
Total Hardness	1820.00	
Calcium, (Ca++)	1600.00	32076.98
Magnesium, (Mg++)	220.00	2673.31
Iron, (Fe+++)	1.61	30.00
Barium, (Ba++)	N/D	N/D
Sodium, Na+(calc)	1939.31	44604.19
Manganese, (Mn++)	0.00	0.00

ANIONS	me/l	mg/l
Chloride, Cl-	3746.48	132995.38
Sulfate, SO4--	11.45	550.00
Carbonate, CO3--	0.00	0.00
Bicarbonate, HCO3--	3.00	183.04
Hydroxyl, OH-	0.00	0.00
Sulfide, S--	0.00	0.00
TOTAL SOLIDS (quant.)		213112.90

DISSOLVED GASES

Hydrogen sulfide:	0.00	mg/l
Carbon dioxide :	217.80	mg/l
Oxygen :	N/D	mg/l

PHYSICAL PROPERTIES

pH	: 6.65
Spec Grav.	: 1.140
TDS (calc.)	: 213115.89

SCALE STABILITIES

Temp., C	CaCO3	CaSO4	BaSO4
16.0	1.73	513	2
26.0	N/D	570	1
36.0	N/D	657	2
Max entity, (calc.)	833		0

RESIDUAL HYDROCARBONS: N/D

N/D = not determined

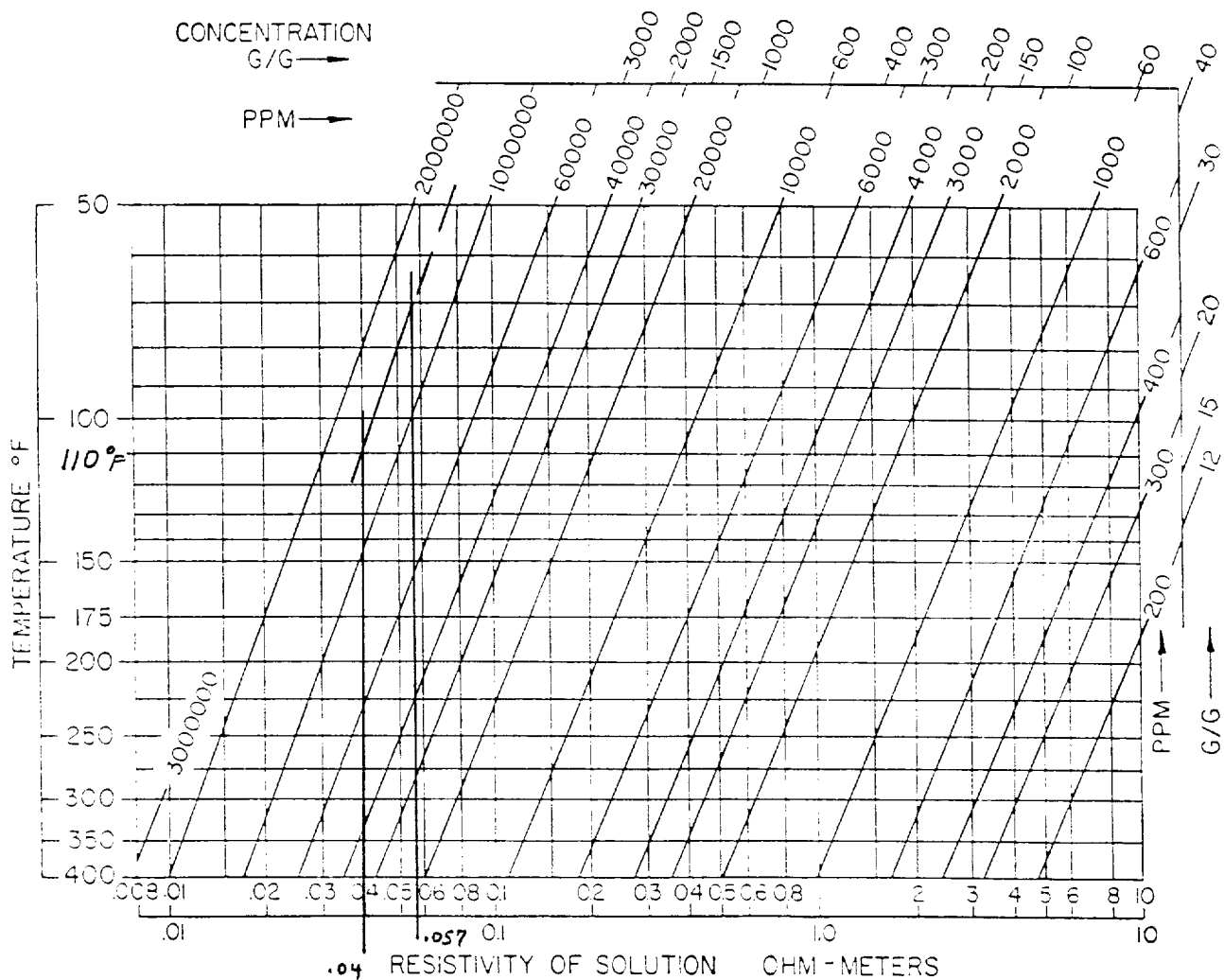
@16'C...CALCIUM SULFATE SCALING IS UNLIKELY .
 @16'C...SEVERE CARBONATE SCALING.

RESISTIVITY: 0.057 @ 70°

ARMSTRONG ENERGY CORP.

WATER ANALYSIS
 NORTHEAST LEA FIELD
 LEA COUNTY, NEW MEXICO

EXHIBIT **F-1**



Resistivity vs. concentration for NaCl solutions at various temperatures.

$$R_w = .04$$

ARMSTRONG ENERGY CORP.

FORMATION WATER RESISITIVITY
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT **F-2**

WATER SATURATION $R_w = 0.04$

SAND	WATER SATURATION R _w =0.04																			
	POROSITY																			
	R _t		15.00%	15.50%	16.00%	16.50%	17.00%	17.50%	18.00%	18.50%	19.00%	19.50%	20.00%	20.50%	21.00%	21.50%	22.00%	22.50%	23.00%	
F		36.00	33.71	31.64	29.75	28.03	26.45	25.00	23.67	22.44	21.30	20.25	19.27	18.37	17.52	16.74	16.00	15.31		
1.00		120.00%	116.13%	112.50%	109.09%	105.88%	102.86%	100.00%	97.30%	94.74%	92.31%	90.00%	87.80%	85.71%	83.72%	81.82%	80.00%	78.26%		
1.20		109.54%	106.01%	102.70%	99.59%	96.66%	93.90%	91.29%	88.82%	86.48%	84.27%	82.16%	80.15%	78.25%	76.43%	74.69%	73.03%	71.44%		
1.40		101.42%	98.15%	95.08%	92.20%	89.49%	86.93%	84.52%	82.23%	80.07%	78.01%	76.06%	74.21%	72.44%	70.76%	69.15%	67.61%	66.14%		
1.60		94.87%	91.81%	88.94%	86.24%	83.71%	81.32%	79.06%	76.92%	74.90%	72.98%	71.15%	69.42%	67.76%	66.19%	64.68%	63.25%	61.87%		
1.80		89.44%	86.56%	83.85%	81.31%	78.92%	76.67%	74.54%	72.52%	70.61%	68.80%	67.08%	65.45%	63.89%	62.40%	60.98%	59.63%	58.33%		
2.00		84.85%	82.12%	79.55%	77.14%	74.87%	72.73%	70.71%	68.80%	66.99%	65.27%	63.64%	62.09%	60.61%	59.20%	57.85%	56.57%	55.34%		
2.20		80.90%	78.29%	75.85%	73.55%	71.39%	69.35%	67.42%	65.60%	63.87%	62.23%	60.68%	59.20%	57.79%	56.44%	55.16%	53.94%	52.76%		
2.40		77.46%	74.96%	72.62%	70.42%	68.35%	66.39%	64.55%	62.81%	61.15%	59.58%	58.09%	56.68%	55.33%	54.04%	52.81%	51.64%	50.52%		
2.60		74.42%	72.02%	69.77%	67.66%	65.67%	63.79%	62.02%	60.34%	58.75%	57.25%	55.82%	54.45%	53.16%	51.92%	50.74%	49.61%	48.54%		
2.80		71.71%	69.40%	67.23%	65.19%	63.28%	61.47%	59.76%	58.15%	56.62%	55.16%	53.79%	52.47%	51.22%	50.03%	48.90%	47.81%	46.77%		
3.00		69.28%	67.05%	64.95%	62.98%	61.13%	59.38%	57.74%	56.17%	54.70%	53.29%	51.96%	50.69%	49.49%	48.34%	47.24%	46.19%	45.18%		
3.20		67.08%	64.92%	62.89%	60.98%	59.19%	57.50%	55.90%	54.39%	52.96%	51.60%	50.31%	49.08%	47.92%	46.80%	45.74%	44.72%	43.75%		
3.40		65.08%	62.98%	61.01%	59.16%	57.42%	55.78%	54.23%	52.77%	51.38%	50.06%	48.81%	47.62%	46.49%	45.40%	44.37%	43.39%	42.44%		
3.60		63.25%	61.21%	59.29%	57.50%	55.80%	54.21%	52.70%	51.28%	49.93%	48.65%	47.43%	46.28%	45.18%	44.12%	43.12%	42.16%	41.25%		
3.80		61.56%	59.57%	57.71%	55.96%	54.32%	52.76%	51.30%	49.91%	48.60%	47.35%	46.17%	45.04%	43.97%	42.95%	41.97%	41.04%	40.15%		
4.00		60.00%	58.06%	56.25%	54.55%	52.94%	51.43%	50.00%	48.65%	47.37%	46.15%	45.00%	43.90%	42.86%	41.86%	40.91%	40.00%	39.13%		
4.20		58.55%	56.67%	54.89%	53.23%	51.67%	50.19%	48.80%	47.48%	46.23%	45.04%	43.92%	42.84%	41.82%	40.85%	39.92%	39.04%	38.19%		
4.40		57.21%	55.36%	53.63%	52.01%	50.48%	49.04%	47.67%	46.38%	45.16%	44.01%	42.91%	41.86%	40.86%	39.91%	39.01%	38.14%	37.31%		
4.60		55.95%	54.15%	52.45%	50.86%	49.37%	47.96%	46.63%	45.37%	44.17%	43.04%	41.96%	40.94%	39.96%	39.04%	38.15%	37.30%	36.49%		
4.80		54.77%	53.01%	51.35%	49.79%	48.33%	46.95%	45.64%	44.41%	43.24%	42.13%	41.08%	40.08%	39.12%	38.21%	37.34%	36.51%	35.72%		
5.00		53.67%	51.93%	50.31%	48.79%	47.35%	46.00%	44.72%	43.51%	42.37%	41.28%	40.25%	39.27%	38.33%	37.44%	36.59%	35.78%	35.00%		
5.20		52.62%	50.93%	49.33%	47.84%	46.43%	45.11%	43.85%	42.67%	41.54%	40.48%	39.47%	38.50%	37.59%	36.71%	35.88%	35.08%	34.32%		
5.40		51.64%	49.97%	48.41%	46.95%	45.56%	44.26%	43.03%	41.87%	40.77%	39.72%	38.73%	37.79%	36.89%	36.03%	35.21%	34.43%	33.68%		
5.60		50.71%	49.07%	47.54%	46.10%	44.74%	43.47%	42.26%	41.12%	40.03%	39.01%	38.03%	37.10%	36.22%	35.38%	34.57%	33.81%	33.07%		
5.80		49.83%	48.22%	46.71%	45.30%	43.97%	42.71%	41.52%	40.40%	39.34%	38.33%	37.37%	36.46%	35.59%	34.76%	33.97%	33.22%	32.50%		
6.00		48.99%	47.41%	45.93%	44.54%	43.23%	41.99%	40.82%	39.72%	38.68%	37.68%	36.74%	35.85%	34.99%	34.18%	33.40%	32.66%	31.95%		
6.20		48.19%	46.64%	45.18%	43.81%	42.52%	41.31%	40.16%	39.08%	38.05%	37.07%	36.14%	35.26%	34.42%	33.62%	32.86%	32.13%	31.43%		
6.40		47.43%	45.90%	44.47%	43.12%	41.85%	40.66%	39.53%	38.46%	37.45%	36.49%	35.58%	34.71%	33.88%	33.09%	32.34%	31.62%	30.94%		
6.60		46.71%	45.20%	43.79%	42.46%	41.21%	40.04%	38.92%	37.87%	36.88%	35.93%	35.03%	34.18%	33.36%	32.59%	31.85%	31.14%	30.46%		
6.80		46.02%	44.53%	43.14%	41.83%	40.60%	39.44%	38.35%	37.31%	36.33%	35.40%	34.51%	33.67%	32.87%	32.11%	31.38%	30.68%	30.01%		
7.00		45.36%	43.89%	42.52%	41.23%	40.02%	38.88%	37.80%	36.77%	35.81%	34.89%	34.02%	33.19%	32.40%	31.64%	30.92%	30.24%	29.58%		
7.20		44.72%	43.28%	41.93%	40.66%	39.46%	38.33%	37.27%	36.26%	35.31%	34.40%	33.54%	32.72%	31.94%	31.20%	30.49%	29.81%	29.17%		
7.40		44.11%	42.69%	41.36%	40.10%	38.92%	37.81%	36.76%	35.77%	34.83%	33.93%	33.08%	32.28%	31.51%	30.78%	30.08%	29.41%	28.77%		
7.60		43.53%	42.12%	40.81%	39.57%	38.41%	37.31%	36.27%	35.29%	34.36%	33.48%	32.65%	31.85%	31.09%	30.37%	29.68%	29.02%	28.39%		
7.80		42.97%	41.58%	40.28%	39.06%	37.91%	36.83%	35.81%	34.84%	33.92%	33.05%	32.23%	31.44%	30.69%	29.98%	29.30%	28.64%	28.02%		
8.00		42.43%	41.06%	39.77%	38.57%	37.44%	36.37%	35.36%	34.40%	33.49%	32.64%	31.82%	31.04%	30.30%	29.60%	28.93%	28.28%	27.67%		

**SIMULTANEOUS
DUAL LATEROLOG
MICRO-SFL**

COMPANY Read & Stevens, Inc

Well North of Federal 1-1

COUNTY, Lee STATE New Mexico

Other Services 1539.554 + 680.774

10	21.5	34.5
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64 Elev. 36375

ADORE REIN DATIVE
KLB
GL3

4-25-85

[illegible][illegible]

[Handwritten signature]

8'12
Xc 811 671 2008
Tite Hole

16.3	44				
10	3	ml		ml	ml

Circle	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
Circle	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

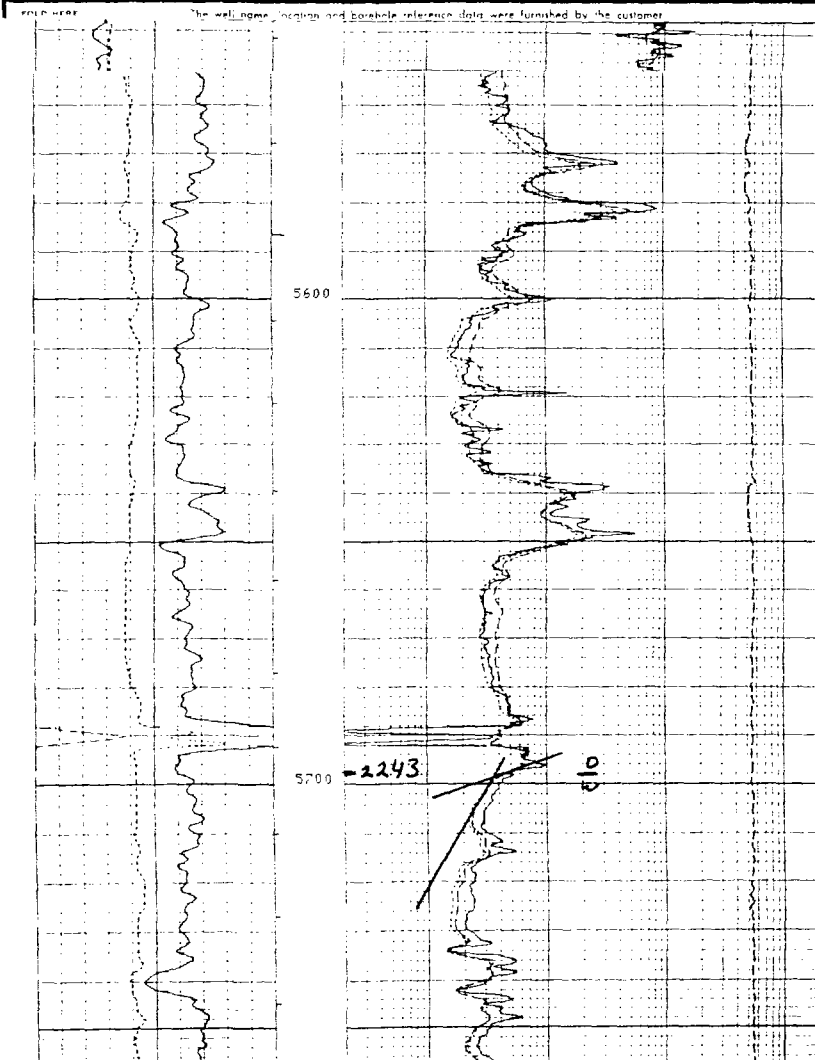
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1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	

Mars -
0.949 (m/64) f

1500 4-25
2300 4-25

164	8191	KSWI
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7. Kündigung
v. Dienstverh.



First Sand
Oil-Water Contact @ -2243'

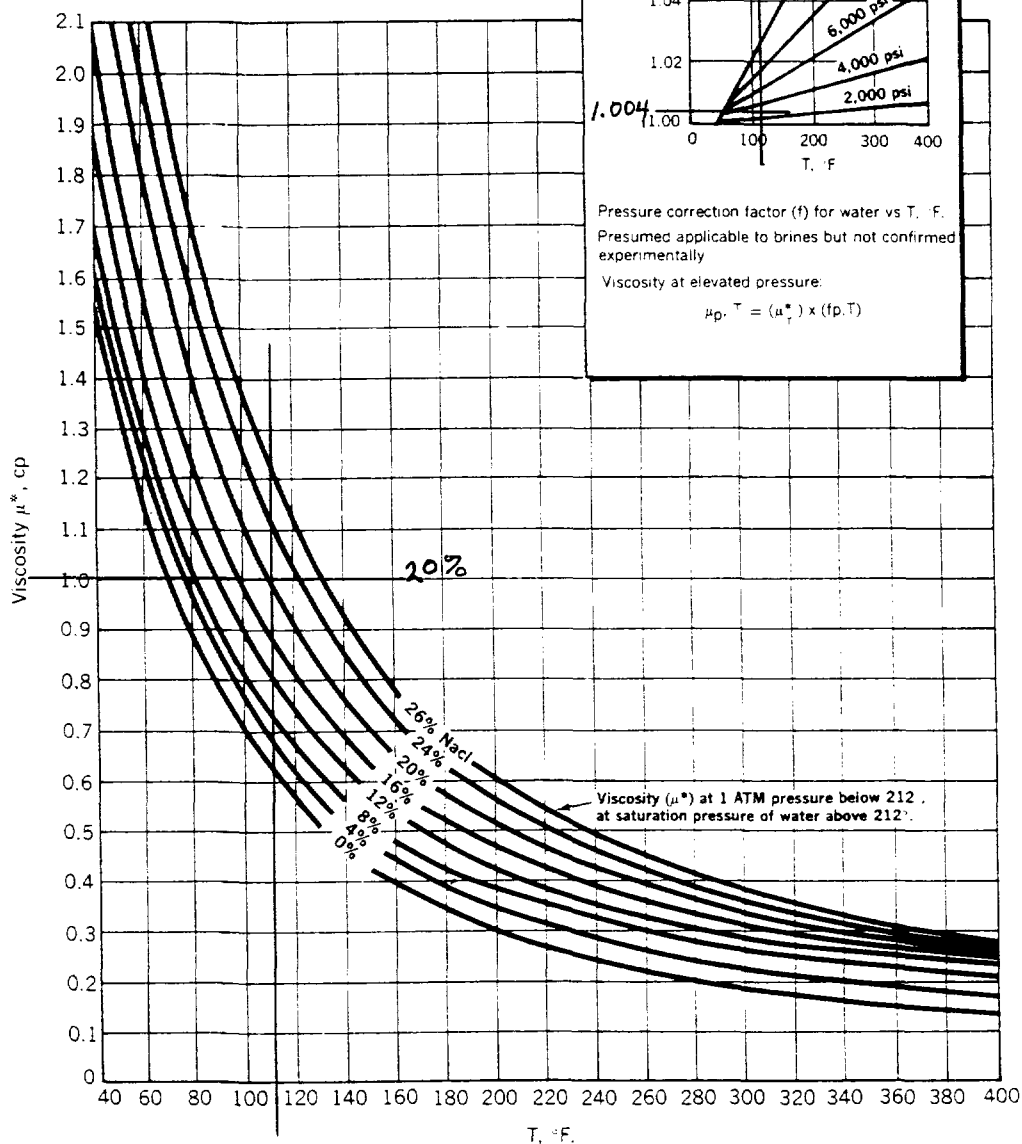
ARMSTRONG ENERGY CORP.

OIL - WATER CONTACT IN FIRST SAND
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT G-1

[illegible]EXHIBIT G-2

Estimated max. error		
Temp., °F.	μ^*	f
40°-120°	1%	5%
120°-212°	5%	5%
212°-400°	10%	5%



Reservoir water viscosities (From SPE Monograph No. 1, Chesnut, unpublished Shell Development Co. data, Courtesy SPE of AIME.)

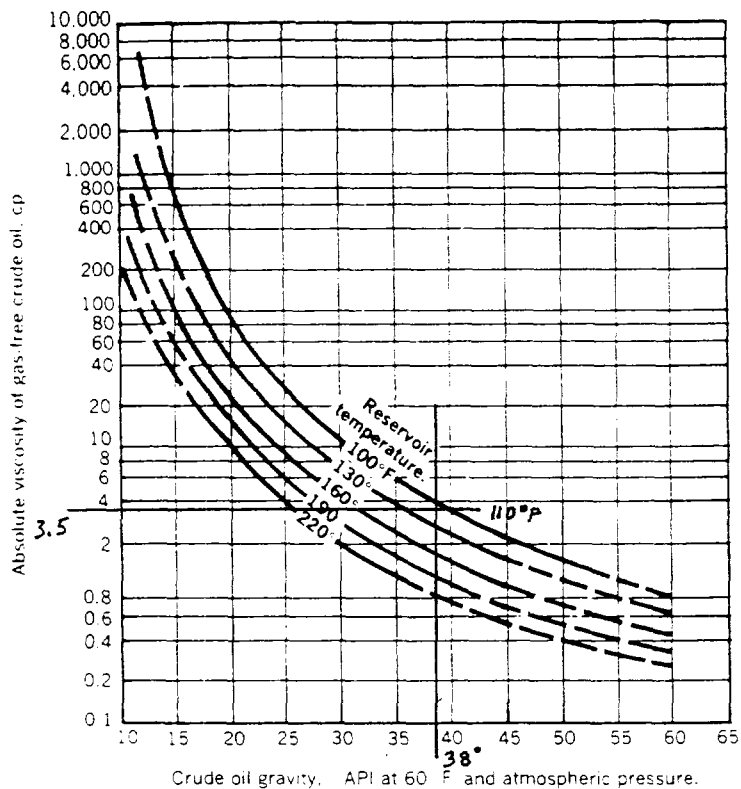
$$\mu_w = 1.0 \times 1.004 = 1.004 \text{ cp}$$

ARMSTRONG ENERGY CORP.

WATER VISCOSITY AT RESERVOIR
CONDITIONS

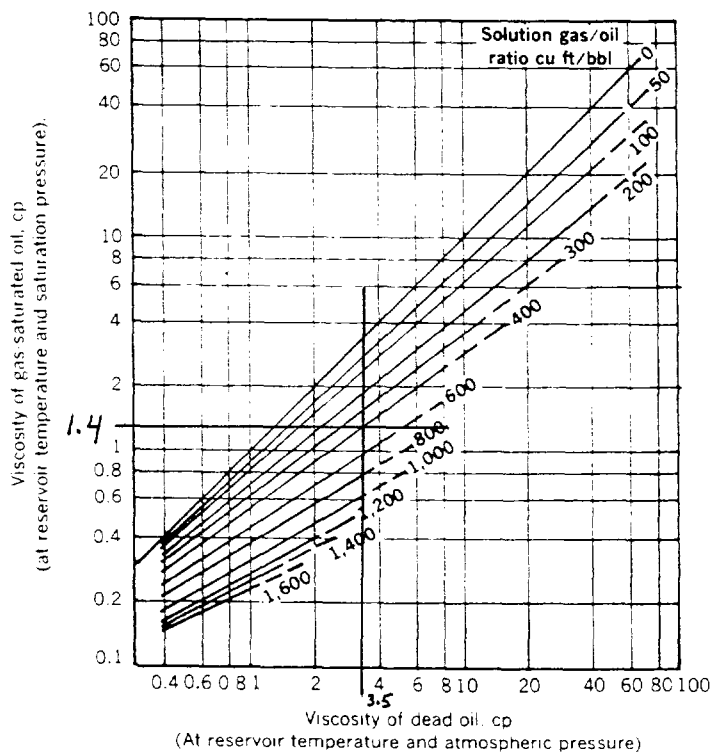
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT H-1



Viscosity of gas-free crude oil at oil-field temperatures. From Beal, Trans., AIME (1946) 165.94.

$$\mu_o = 1.4 \text{ cp}$$



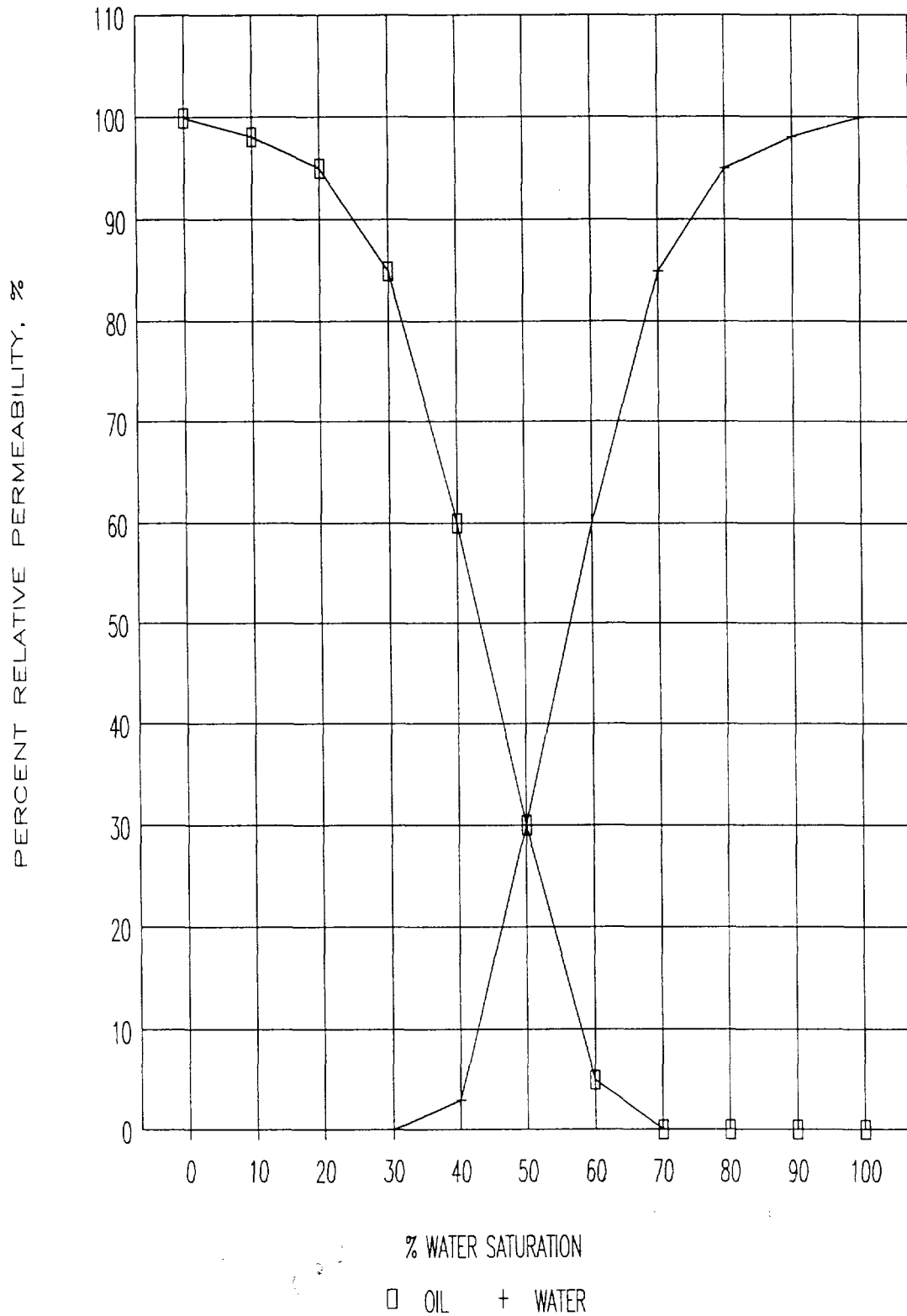
Viscosity of gas saturated crude oils. From Chew and Connally, Trans., AIME (1959) 216.23.

ARMSTRONG ENERGY CORP.

OIL VISCOSITY AT RESERVOIR CONDITIONS
NORTHEAST LEA FIELD

OIL-WATER RELATIVE PERMEABILITY

TYPICAL DELAWARE ZONE





Laboratory Services

1331 Tasker Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

FOR: GPM Gas Corporation
Attention: Mr. Chip Short
4001 Penbrook
Odessa, Texas 79762

SAMPLE
IDENTIFICATION: Mobil Lea State #1
COMPANY: Armstrong Energy Corp.
LEASE:
PLANT:

SAMPLE DATA: DATE SAMPLED: 10-28-92 GAS (XX) LIQUID ()
ANALYSIS DATE: 10-28-92 SAMPLED BY: Steve Steadham
PRESSURE - PSIG 29.00 ANALYSIS BY: Vickie Walker
SAMPLE TEMP. °F 81.00
ATMOS. TEMP. °F 81.00
REMARKS: H2S < 4 PPM

COMPONENT ANALYSIS

COMPONENT	MOL PERCENT	GPM
Oxygen (O2)		
Hydrogen Sulfide (H2S)		
Nitrogen (N2)	8.38	
Carbon Dioxide (CO2)	1.14	
Methane (C1)	50.93	
Ethane (C2)	15.33	4.104
Propane (C3)	14.97	4.115
I-Butane (IC4)	1.98	0.647
N-Butane (NC4)	4.27	1.342
I-Pentane (IC5)	1.09	0.399
N-Pentane (NC5)	0.81	0.291
Hexane (C6+)	1.05	0.430
Heptanes Plus (C7)	0.00	0.000
	100.00	11.328

BTU/CU.FT. - DRY 1493
AT 14.850 DRY 1488
AT 14.650 WET 1462
AT 15.025 DRY 1525
AT 15.025 WET 1500

SPECIFIC GRAVITY -
CALCULATED 0.972
MEASURED 0.000

MOLECULAR WT

26# GASOLINE -

1.367

Date	10-28-92	Type Gas	CASINGHEAD	State	NEW MEXICO	County	LEA	Field	LEA N.E.	Formation	DELTA	Company	ARMSTRONG ENERGY	Wells	#1	Lease	MOBIL LEA STATE	Sale	R-20-31	Sampler	GAS
Baro	666	Atmos. Temp.	81	Trap Press.	29.0	Gas Temp.	81	Type of Trap		Heat Loss	Conv.	Loss	5.000	CO2		Choke	PS	RT	PS	Bomb Press	29.0



Sample #
OG 1564

Post-It™ brand fax transmittal memo 7671

To	BRACG	From	Tommy
Co.		Co.	
Dept.		Phone #	
Fax #	623-1777	Fax #	6

S.G. = .972

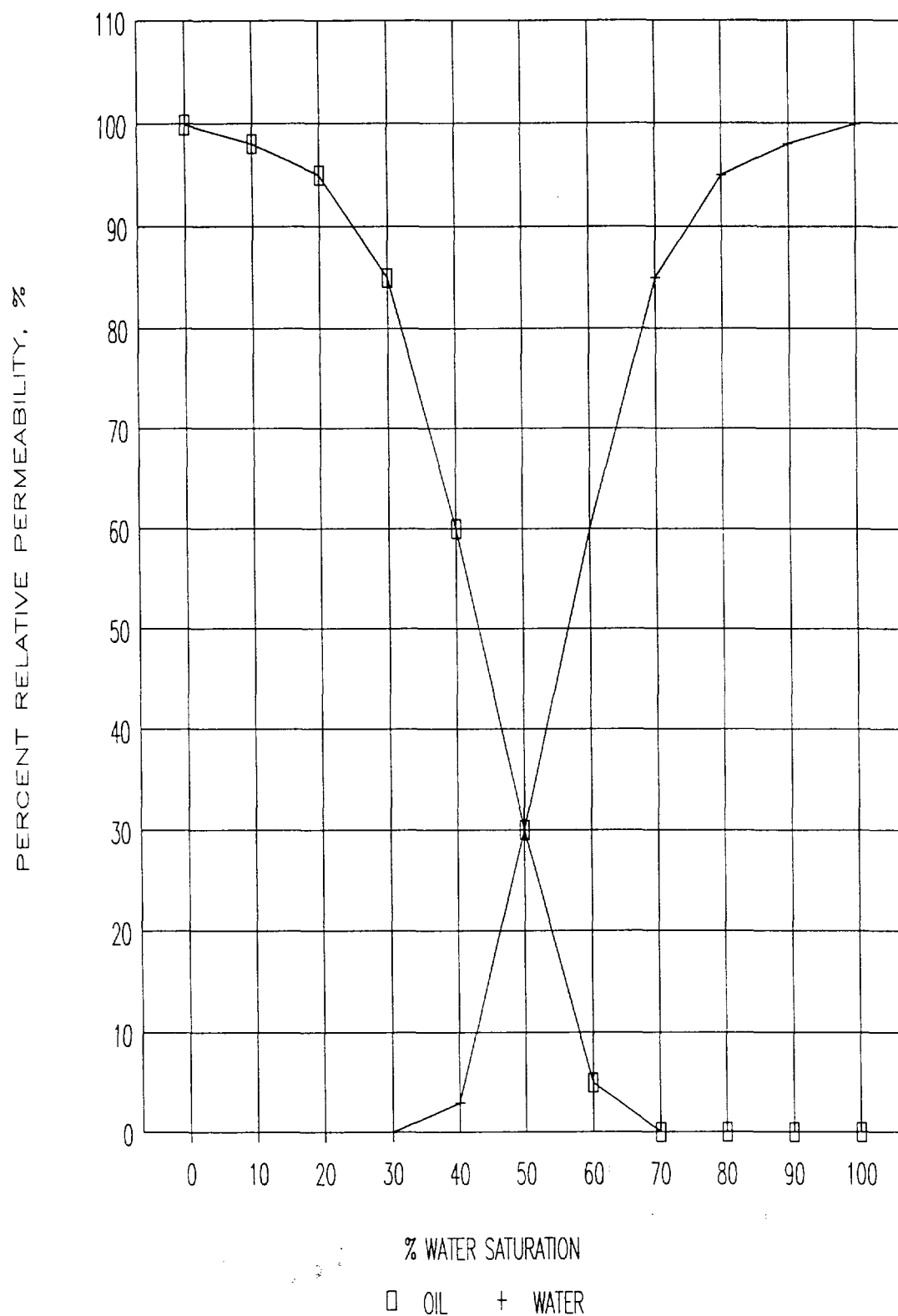
ARMSTRONG ENERGY CORP.

GAS ANALYSIS
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT

OIL-WATER RELATIVE PERMEABILITY

TYPICAL DELAWARE ZONE



OIL DENSITY DETERMINATION

NORTHEAST LEA DELAWARE

$$\text{OIL DENSITY, = } \frac{(350 \times \text{OIL SPECIFIC GRAVITY}) + (.0764 \times \text{GAS SPECIFIC GRAVITY}) \times R_s}{\text{lbm/CU.FT.} \quad 5.615 \times B_o}$$

R_s = SOLUTION GAS, SCF/STB

B_o = OIL FVF, bbl/SLB

350= DENSITY OF WATER AT STANDARD CONDITIONS, lbm/STB

.0764= DENSITY OF AIR AT STANDARD CONDITIONS, lbm/SCF

5.615= CONVERSION FACTOR, CU.FT./BBL.

.8348= SPECIFIC GRAVITY OF 38 GRAVITY OIL

.972= SPECIFIC GRAVITY OF PRODUCED GAS

OIL DENSITY= 44.7858 lbm/CU.FT.

SPECIFIC GRAVITY= 0.7188

GRADIENT= 0.3112 PSI/FT.

D:\123\ARMSTRNG\OILDENS.WK1

ARMSTRONG ENERGY CORP.

OIL DENSITY DETERMINATION
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT K

INITIAL BOTTOM HOLE PRESSURE

NORTH LEA FEDERAL #3 DST 5891'-5937', THIRD SAND
FSIP 2395 PSI, EXTRAPOLATED PRESSURE 2539 PSI, GRADIENT AT
MID-ZONE, 5914', .429 PSI/FT.,

NORTH LEA FEDERAL #2 DST 5630'-5677', FIRST SAND
FSIP 2347 PSI, GRADIENT .415 PSI/FT.
(NOT EXTRAPOLATED)

MOBIL STATE #1 DST 5635'-5714', FIRST SAND
FSIP 2328 PSI, GRADIENT .41 PSI/FT.
(NOT EXTRAPOLATED)

APPROXIMATE PRESSURE GRADIENT FOR BOTH ZONES IS .43 PSI/FT.

ARMSTRONG ENERGY CORP.

INITIAL BOTTOM HOLE PRESSURE DATA
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT

MOBIL LEA STATE # 1

PRODUCING BHP

DATE	CASING PRESSURE (PSI)	FLUID LEVEL (JTS.)	FLUID LEVEL ABOVE PUMP (FT.)	HYDROSTATIC W/ FULL COLUMN OF OIL @.3112 PSI/FT	GAS HYDROSTATIC	CALCULATED BOTTOM HOLE PRODUCING PRESSURE (PSI)	PROD. RATE BOPD
12-16-92	230	48	4417	1375	242	1847	250
12-31-92	235	48	4417	1375	247	1857	200
2-8-93	210	56	4169	1297	223	1730	200
3-23-93	220	61	4014	1249	235	1704	170
4-23-93	200	71	3704	1153	215	1568	175
5-10-93	590	127	1968	612	676	1878	180
5-12-93	25	68	3797	1182	26	1233	195
5-28-93	40	56	4169	1297	42	1379	195
6-7-93	40	55	4200	1307	42	1389	195
6-18-93	80	56	4169	1297	85	1462	195
6-28-93	45	47	4448	1384	47	1476	195
7-9-93	35	34	4851	1510	36	1581	200
11-1-93	30	SURF.	5905	1838	0	1868	126

MOBIL LEA STATE # 2

PRODUCING BHP

5-10-93	430	101	2774	863	479	1772	170
5-21-93	575	116	2309	719	651	1945	150
6-11-93	255	81	3394	1056	278	1589	280
6-18-93	45	63	3952	1230	48	1323	300
6-23-93	40	45	4510	1404	42	1486	300
7-5-93	40	45	4510	1404	42	1486	300
11-1-93	30	SURF.	5905	1838	0	1868	126

MOBIL LEA STATE # 3

PRODUCING BHP

12-1-93	30	SURF.	5930	1838	0	1868	126
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ARMSTRONG ENERGY CORP.

BOTTOM HOLE PRESSURE DATA
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT **M**

PRODUCTIVITY INDEX

DECEMBER 17, 1992

OIL PRODUCTION	283 BO	
WATER PRODUCTION	36 BW	
FLUID LEVEL	48 JTS.	1488 FT.
CASING PRESSURE	220 PSI	

FLOWING BHP CALCULATION

38 GAVITY OIL GRADIENT= 0.3112 PSI/FT.
MIDDLE OF ZONE 5905 FT.

CASING PRESSURE	220 PSI	
GAS HYDROSTATIC	242 PSI	
HYDROSTATIC PRESSURE	1375 PSI	
TOTAL	1837 PSI	FLOWING BHP

STATIC BHP CALCULATION

BHP GRADIENT= 0.43 PSI/FT. (DST ON N. LEA FED. #3)
MID ZONE DEPTH= 5905 FT

STATIC BHP = DEPTH x GRADIENT = 2539 PSI

PRODUCTIVITY INDEX CALCULATION

$$J = \frac{Q_{stb}}{P_e - P_w} = \frac{283+36}{2539-1837} = 0.4544 \text{ BBLS/PSI}$$

MAXIMUM PRODUCTION - PUMPED OFF CONDITION

$$Q = .4544 \text{ BBLS/PSI} \times (2539 \text{ PSI} - 100 \text{ PSI}) = 1108 \text{ BPD}$$

$$\begin{aligned} Q_{oil} &= 88.71\% \times 1108 = 983 \text{ BOPD} \\ Q_{wtr} &= 11.29\% \times 1108 = 125 \text{ BWPD} \end{aligned}$$

$$J = .4544 \text{ BBL/PSI} = \frac{7.08 \times K_o \times h}{B_o \times \mu_o \times \ln(R_e/R_w)} = \frac{7.08 \times k_o \times 60}{1.24 \times 1.4 \times \ln(660/.66)}$$

$$\frac{424.8 \times k_o}{1.24 \times 1.4 \times 6.907755} = \frac{424.8 \times k_o}{11.9918626} = 35.75758 k_o$$

$k_o = 0.01270779$ DARCIES
 $k_o = 12.7077951$ md.

EXHIBIT N

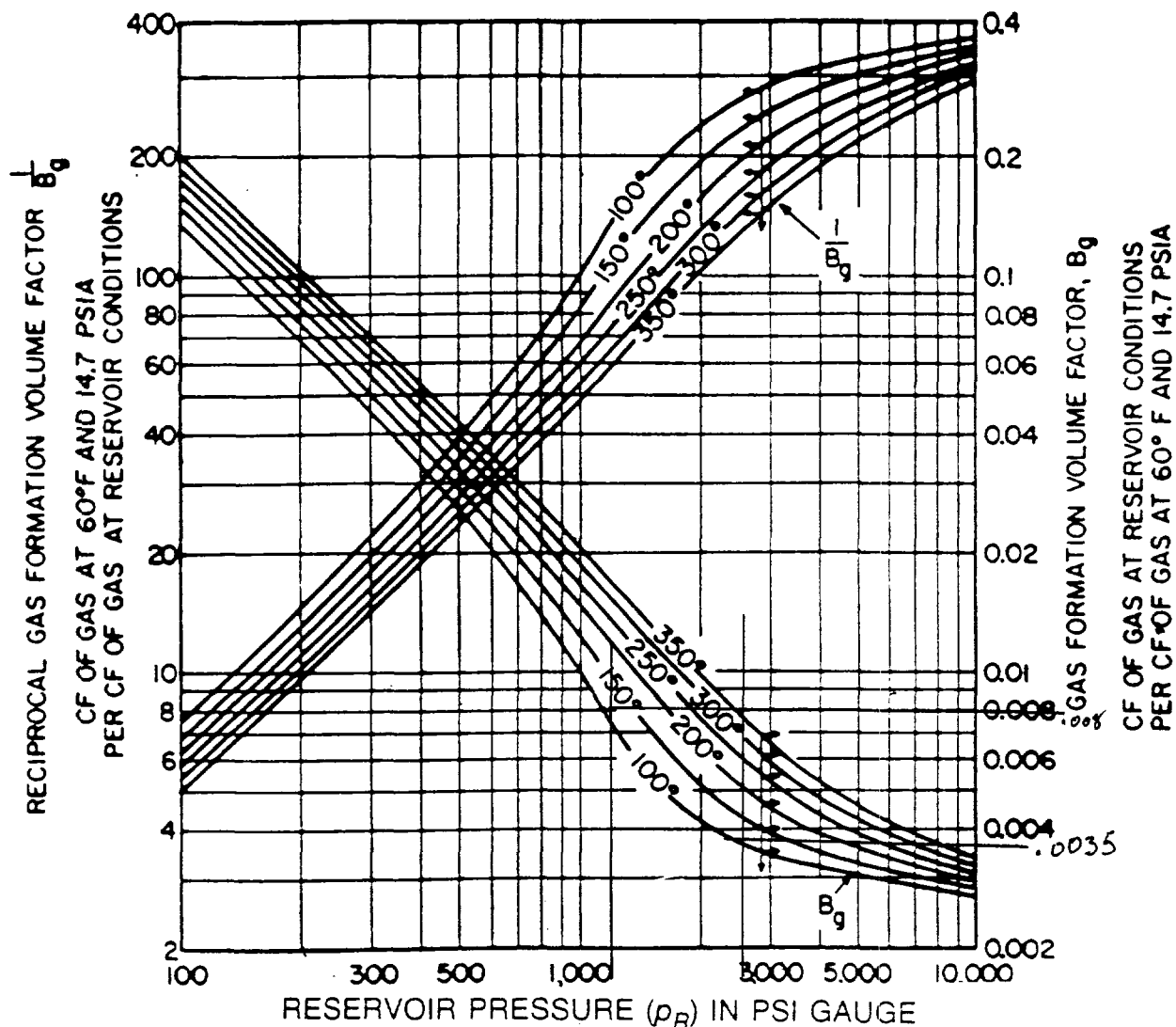


Fig. 40.19—Gas FVF $B_g = \frac{14.17}{p_R + 14.7} \frac{460 + T_R}{460 + 60} Z$

and reciprocal gas FVF

$$\frac{1}{B_g} = \frac{p_R + 14.7}{14.7} \frac{460 + 60}{460 + T_R} \frac{1}{Z}$$

vs. pressure, psig, and temperature, °F.
Gas gravity 1.0 (air 1.0).

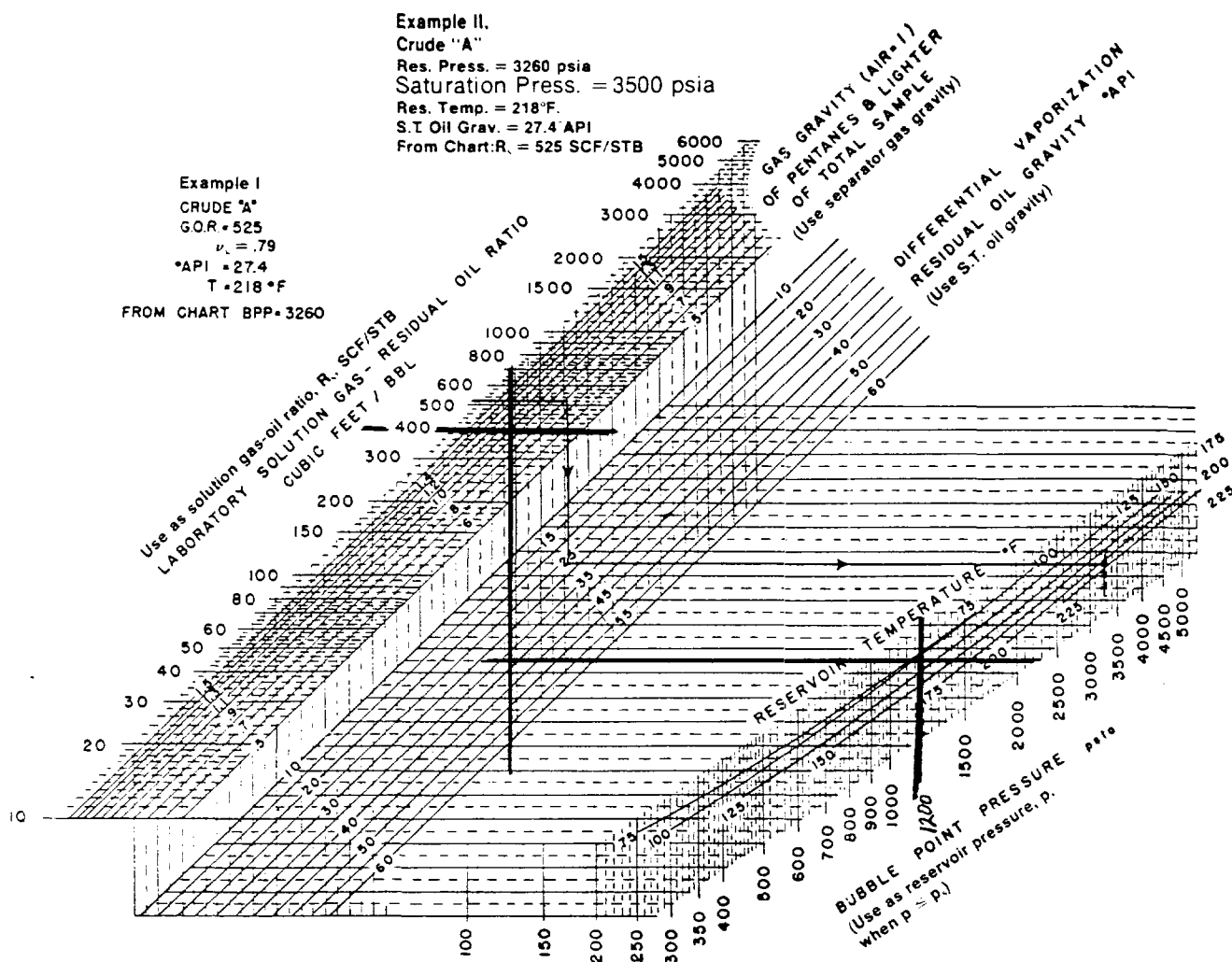
ARMSTRONG ENERGY CORP.

GAS FORMATION VOLUME FACTOR
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT 0

$$B_g = .0035 \text{ @ } 2500 \text{ psi}$$

$$B_g = .008 \text{ @ } 1200 \text{ psi}$$



Gas in solution or bubble-point pressure (From Borden and Rzasa, "Correlation of Bottom Hole Sample Data," *Trans. AIME* 192, 19, 1951)

Bubble point Pressure 1200 psi

ARMSTRONG ENERGY CORP.

BUBBLE POINT PRESSURE
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT **P**

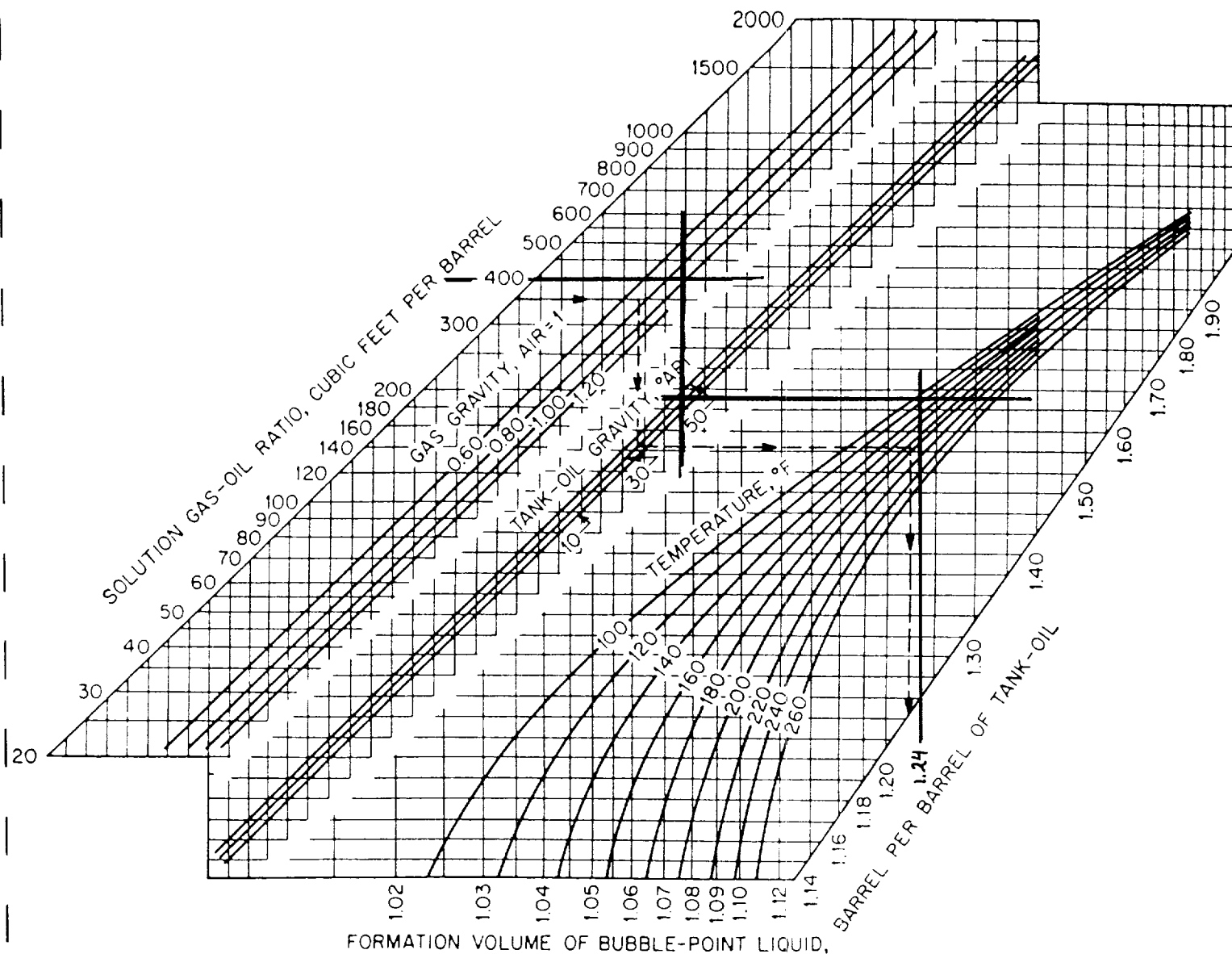


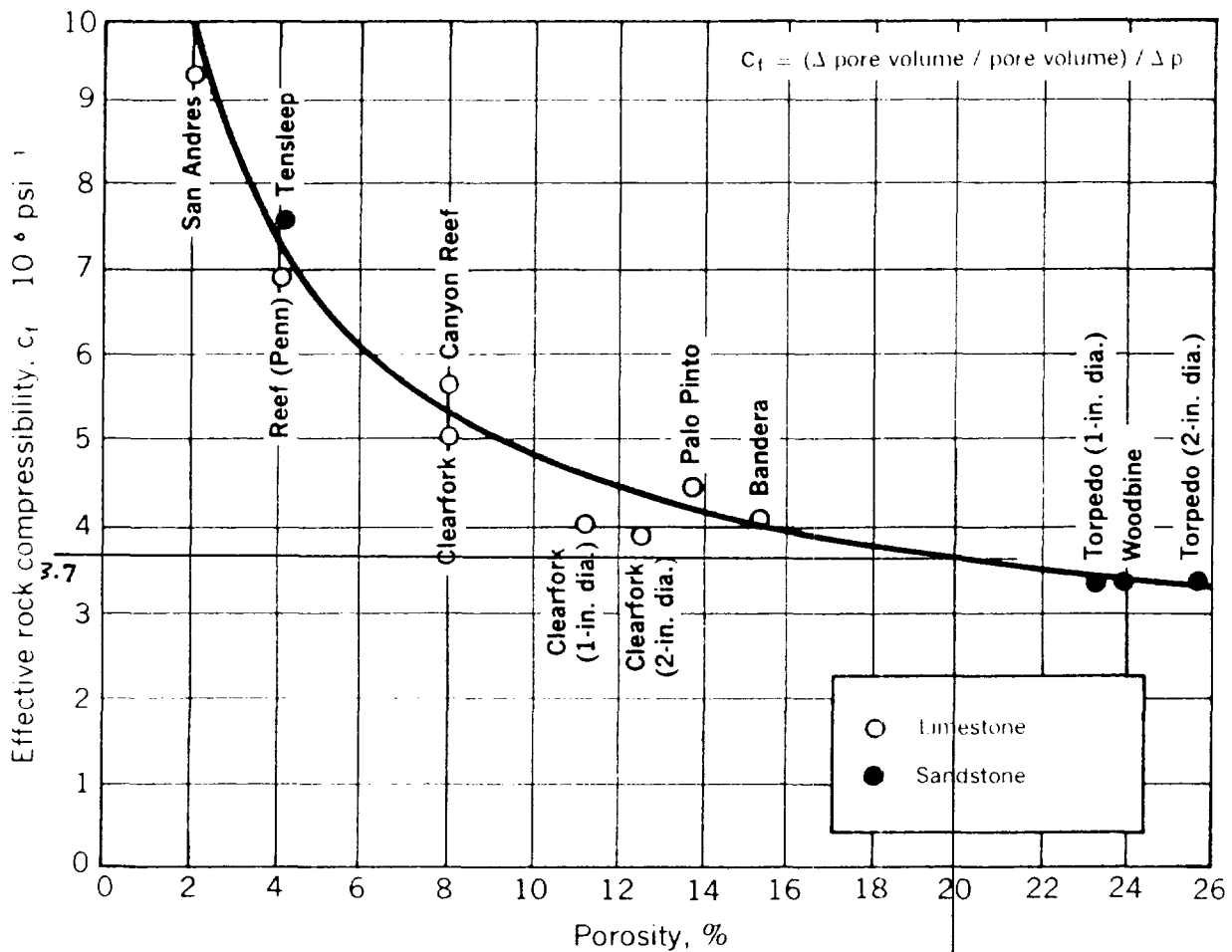
Fig. 22.9—Chart for calculating oil-formation volume by Standing's correlation.

$$B_{oi} = 1.24$$

ARMSTRONG ENERGY CORP.

OIL FORMATION VOLUME FACTOR
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT Q

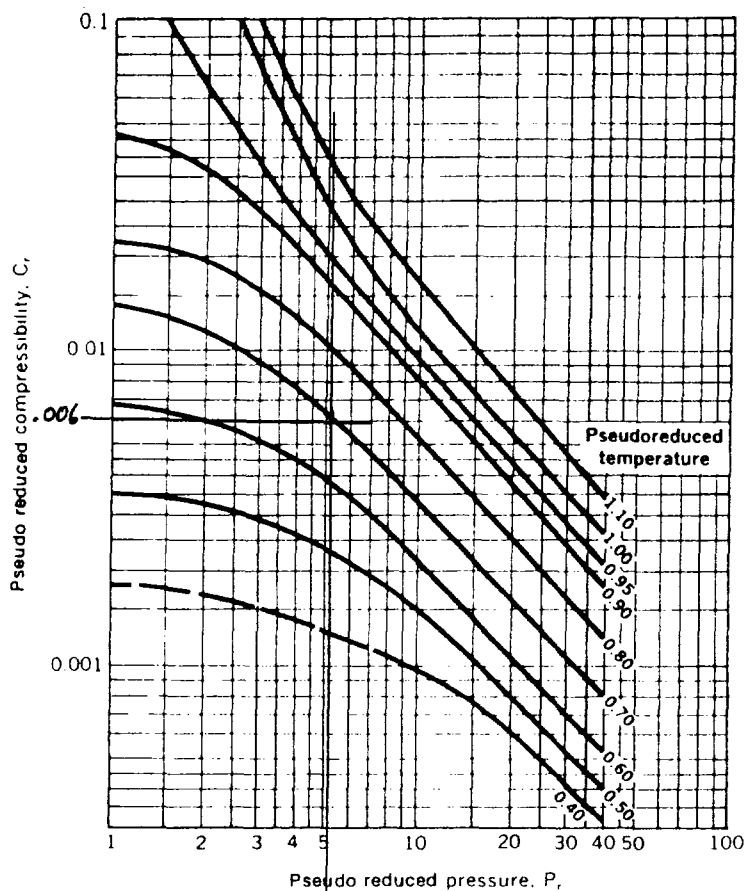


Formation compressibility (From Hall, "Compressibility of Reservoir Rocks,"
Trans. AIME, 1953)

$$C_f = 3.7 \times 10^{-6}$$

ARMSTRONG ENERGY CORP.

FORMATION COMPRESSIBILITY
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

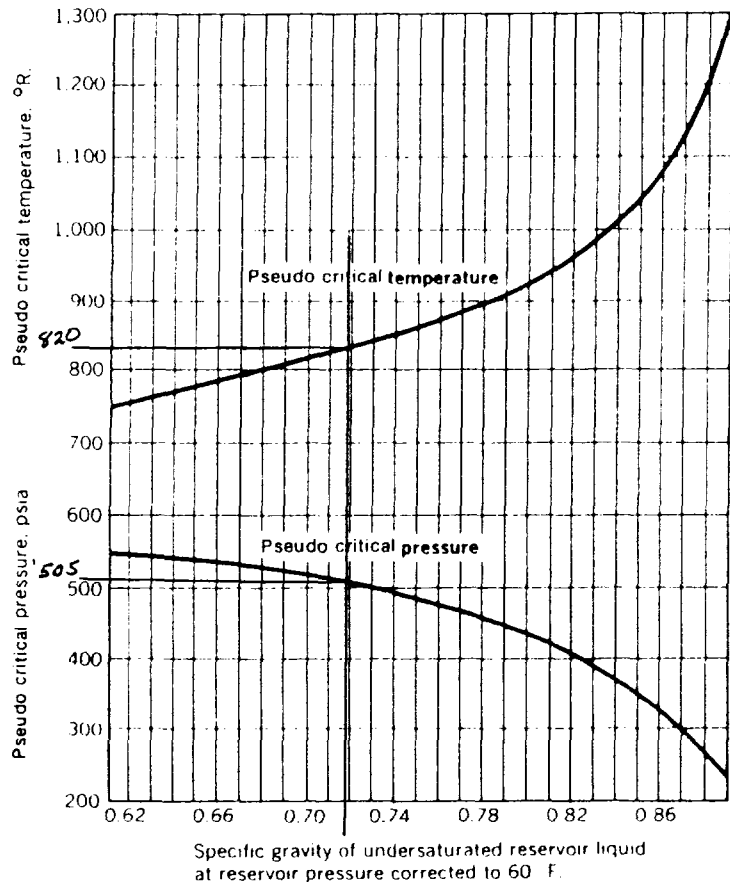


$$T_r = (110 + 460) / 820 = .695$$

$$P_r = 2539 / 505 = 5.028$$

$$C_o = \frac{C_r}{P_r}$$

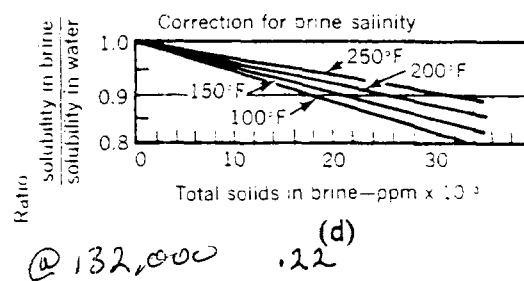
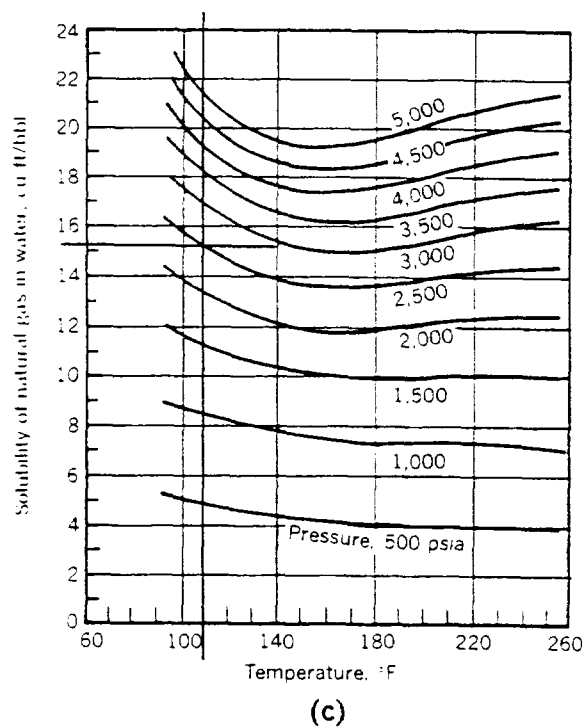
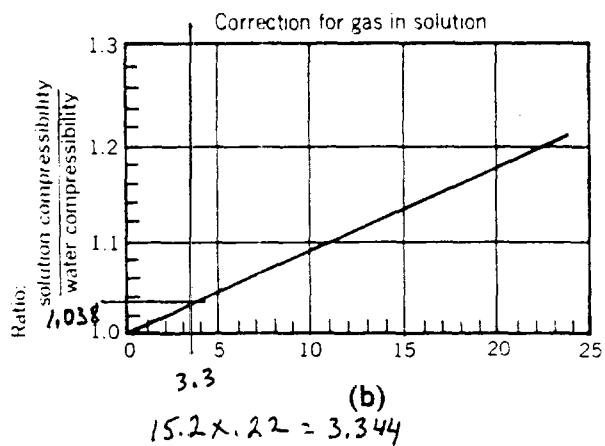
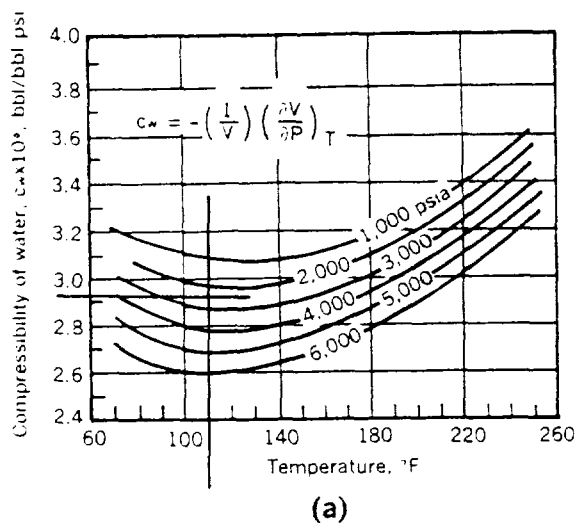
$$C_o = \frac{.006}{505} = 1.188 \times 10^{-5}$$



ARMSTRONG ENERGY CORP.

OIL COMPRESSIBILITY
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT **S**



$$C_w = 2.92 \times 1.038 = 3.031 \times 10^{-6}$$

Compressibility and gas in solution for water. (From Dobson & Standing. "Pressure-volume-Temperature and Solubility Relations for Natural Gas-Water Mixtures." *Drilling and Production Practices*, API, 1944)

ARMSTRONG ENERGY CORP.

WATER COMPRESSIBILITY
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT T

VOLUMETRIC ANALYSIS
THIRD SAND

$$N = \frac{7,758 V_o \phi (1-S_w)}{B_o}$$

ϕ POROSITY	20 %
V_o RESERVOIR VOLUME, ACRE-FT.	400 AC. X 40'
S_w WATER SATURATION	45 %
B_o OIL FORMATION VOLUME FACTOR	1.24

$$N = \frac{7758 \times 400 \times 40 \times .2 \times (1-.45)}{1.24}$$

$$N = 11,011,355 \text{ STB}$$

ARMSTRONG ENERGY CORP.

VOLUMETRIC ANALYSIS - THIRD SAND
NORTHEAST LEA FIELD
LEA COUNTY, NEW MEXICO

EXHIBIT U

MATERIAL BALANCE EQUATION

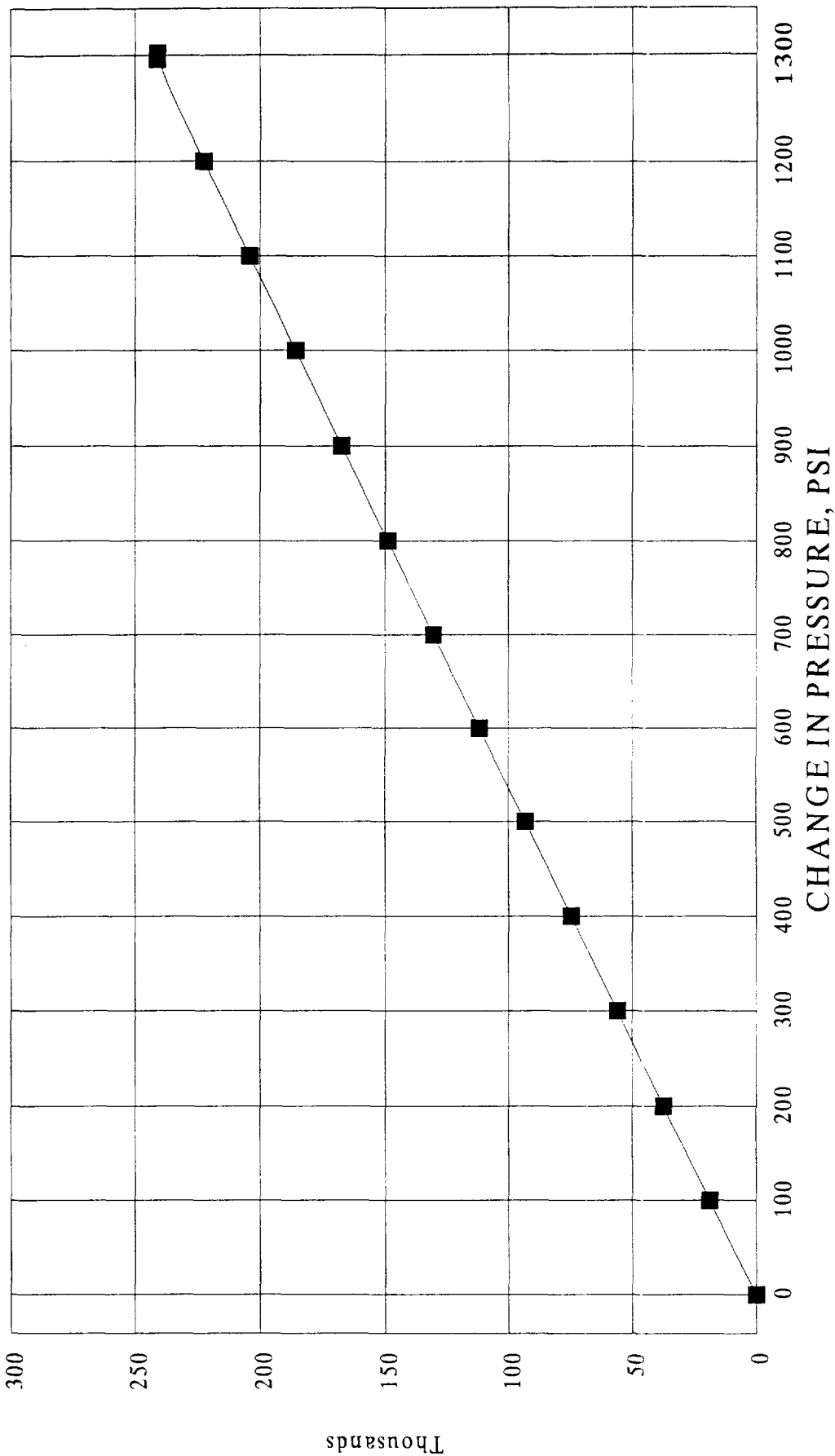
INITIALLY UNDERSATURATED OIL RESERVOIR; WITH AN ACTIVE WATER DRIVE; ABOVE BUBBLE POINT

$$N = \frac{[N_p(1 + \Delta p C_o) - (W_e - W_p/B_{oi})](1 - S_w)}{\Delta p [C_o + C_f - S_w(C_o - C_w)]}$$

Δp	CHANGE IN PRESSURE
B_{oi}	OIL FORMATION VOLUME FACTOR AT P_i
C_f	FORMATION COMPRESSIBILITY
C_o	OIL COMPRESSIBILITY
C_w	WATER COMPRESSIBILITY
N	TOTAL OIL IN PLACE IN RESERVOIR
N_p	OIL PRODUCED
S_w	WATER SATURATION
W_e	CUMULATIVE WATER INFLUX
W_p	CUMULATIVE WATER PRODUCED

MATERIAL BALANCE EQUATION

OIL PRODUCED DUE TO CHANGE IN PRESSURE - COMPRESSIBILITY



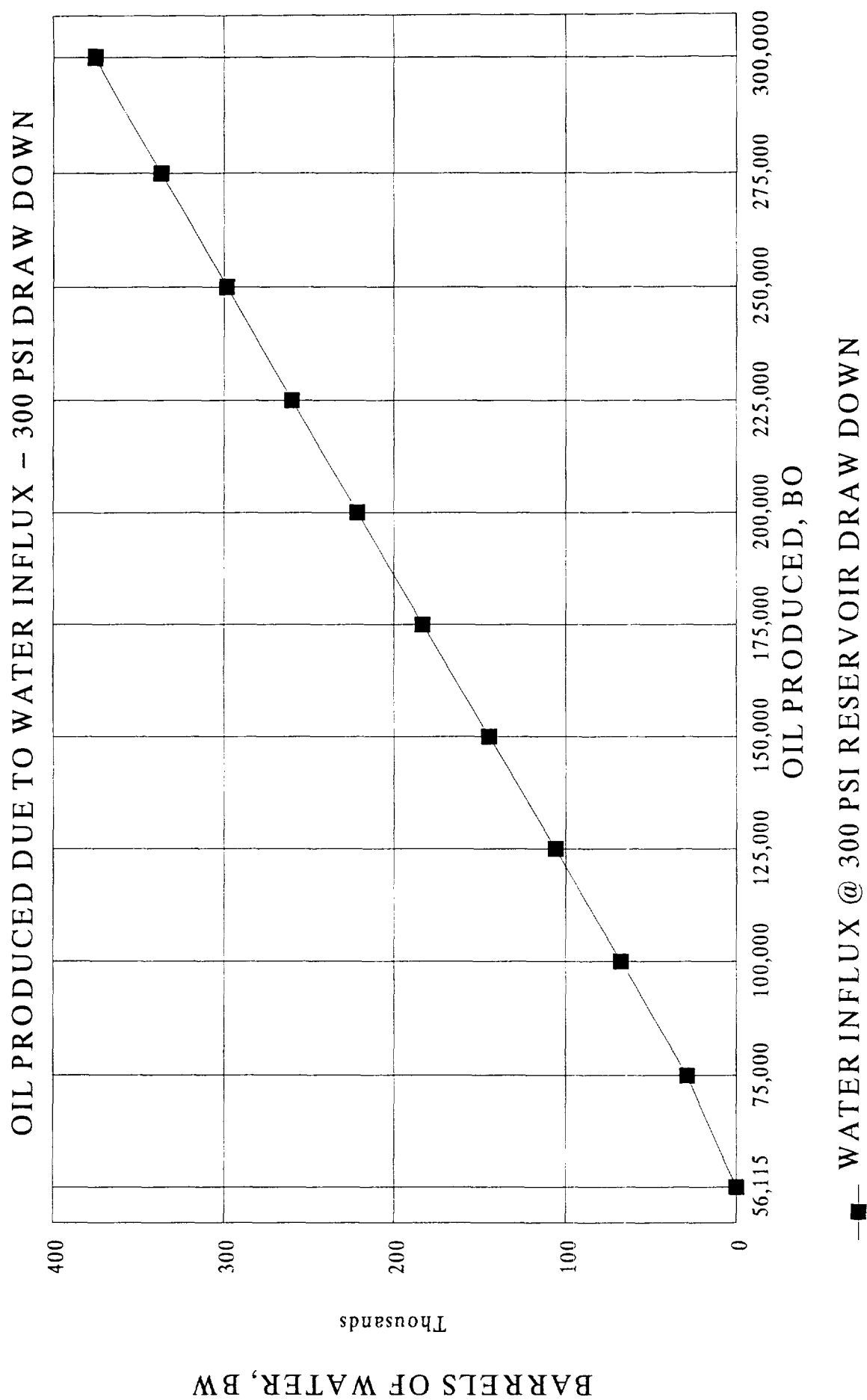
■ Np - OIL PRODUCED - COMPRESSIBILITY

OIL PRODUCTION DUE TO COMPRESSIBILITY

	0	100	200	300	400	500	600	700	800	900	1000	1100	1200	1300
p		1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24
Boi														
Cf														
Co														
Cw														
N														
Np														
Sw														
We														
Wp														

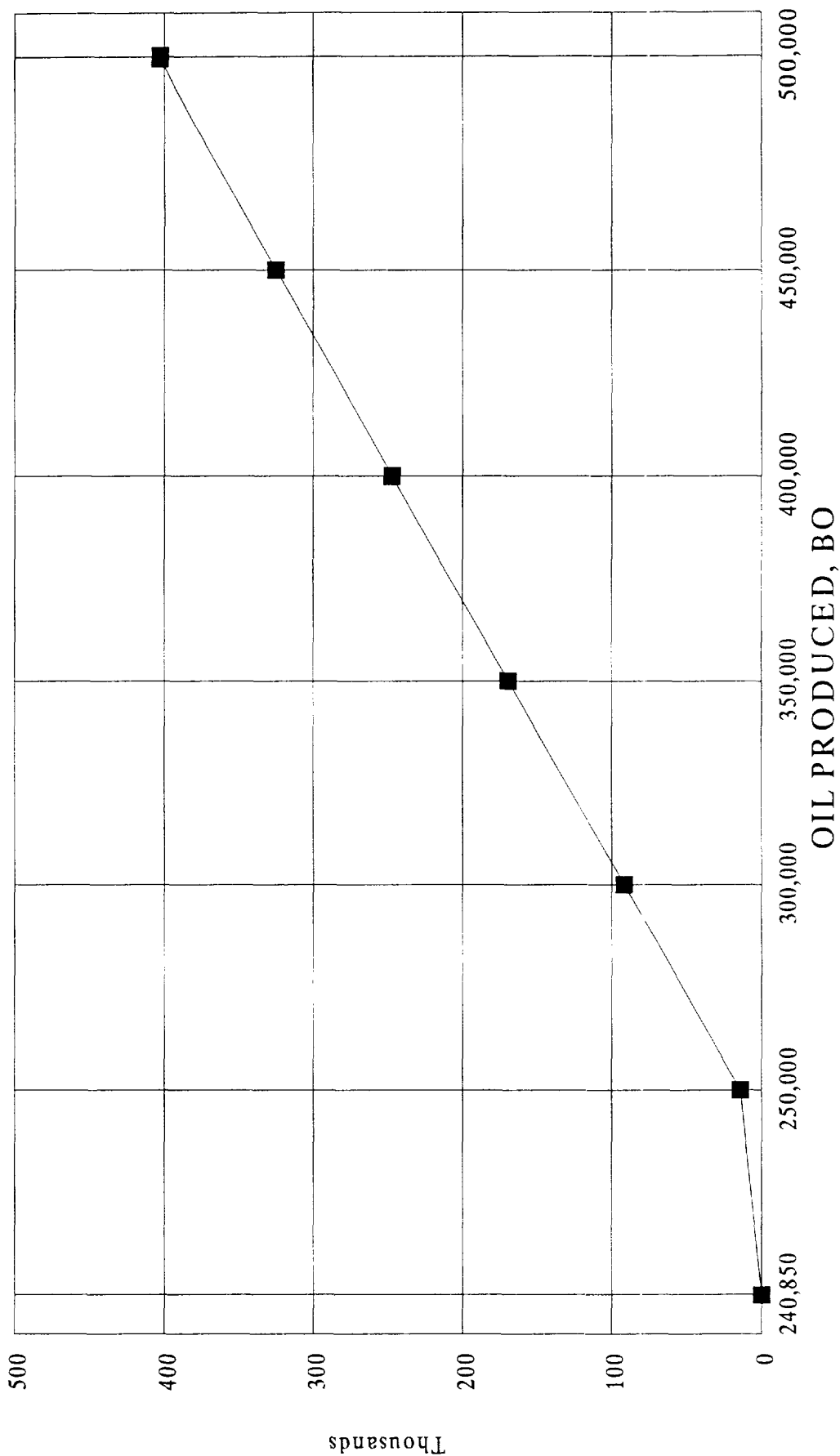
	300	400	500	600	700	800	900	1000	1100	1200	1300
	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24
	3.700E-06	3.700E-06	3.700E-06	3.700E-06	3.700E-06	3.700E-06	3.700E-06	3.700E-06	3.700E-06	3.700E-06	3.700E-06
	1.188E-05	1.188E-05	1.188E-05	1.188E-05	1.188E-05	1.188E-05	1.188E-05	1.188E-05	1.188E-05	1.188E-05	1.188E-05
	3.030E-06	3.030E-06	3.030E-06	3.030E-06	3.030E-06	3.030E-06	3.030E-06	3.030E-06	3.030E-06	3.030E-06	3.030E-06
	11,011,355	11,011,355	11,011,355	11,011,355	11,011,355	11,011,355	11,011,355	11,011,355	11,011,355	11,011,355	11,011,355
	56,115	74,750	93,345	111,910	130,430	148,930	167,380	185,800	204,180	222,540	240,850
	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45
	0	0	0	0	0	0	0	0	0	0	0
	16,547	22,042	27,525	32,999	38,461	43,916	49,356	54,788	60,208	65,621	71,021

MATERIAL BALANCE EQUATION



MATERIAL BALANCE EQUATION

OIL PRODUCED DUE TO WATER INFLUX - 1300 PSI DRAW DOWN



■ WATER INFLUX @ 1300 PSI RESERVOIR DRAW DOWN

p	1300	1300	1300
Boi	1.24	1.24	1.24
Cf	3.700E-06	3.700E-06	3.700E-06
Co	1.188E-05	1.188E-05	1.188E-05
Cw	3.030E-06	3.030E-06	3.030E-06
N	11,011,355	11,011,355	11,011,355
Np	240,850	250,000	400,000
Sw	0.45	0.45	0.45
We	0	14,200	247,300
Wp	71,021	73,719	117,950

	1300	1300	1300	1300	1300
p	1300	1300	1300	1300	1300
Boi	1.24	1.24	1.24	1.24	1.24
Cf	3.700E-06	3.700E-06	3.700E-06	3.700E-06	3.700E-06
Co	1.188E-05	1.188E-05	1.188E-05	1.188E-05	1.188E-05
Cw	3.030E-06	3.030E-06	3.030E-06	3.030E-06	3.030E-06
N	11,011,355	11,011,355	11,011,355	11,011,355	11,011,355
Np	240,850	250,000	300,000	350,000	400,000
Sw	0.45	0.45	0.45	0.45	0.45
We	0	14,200	91,900	169,600	247,300
Wp	71,021	73,719	88,463	103,206	117,950

