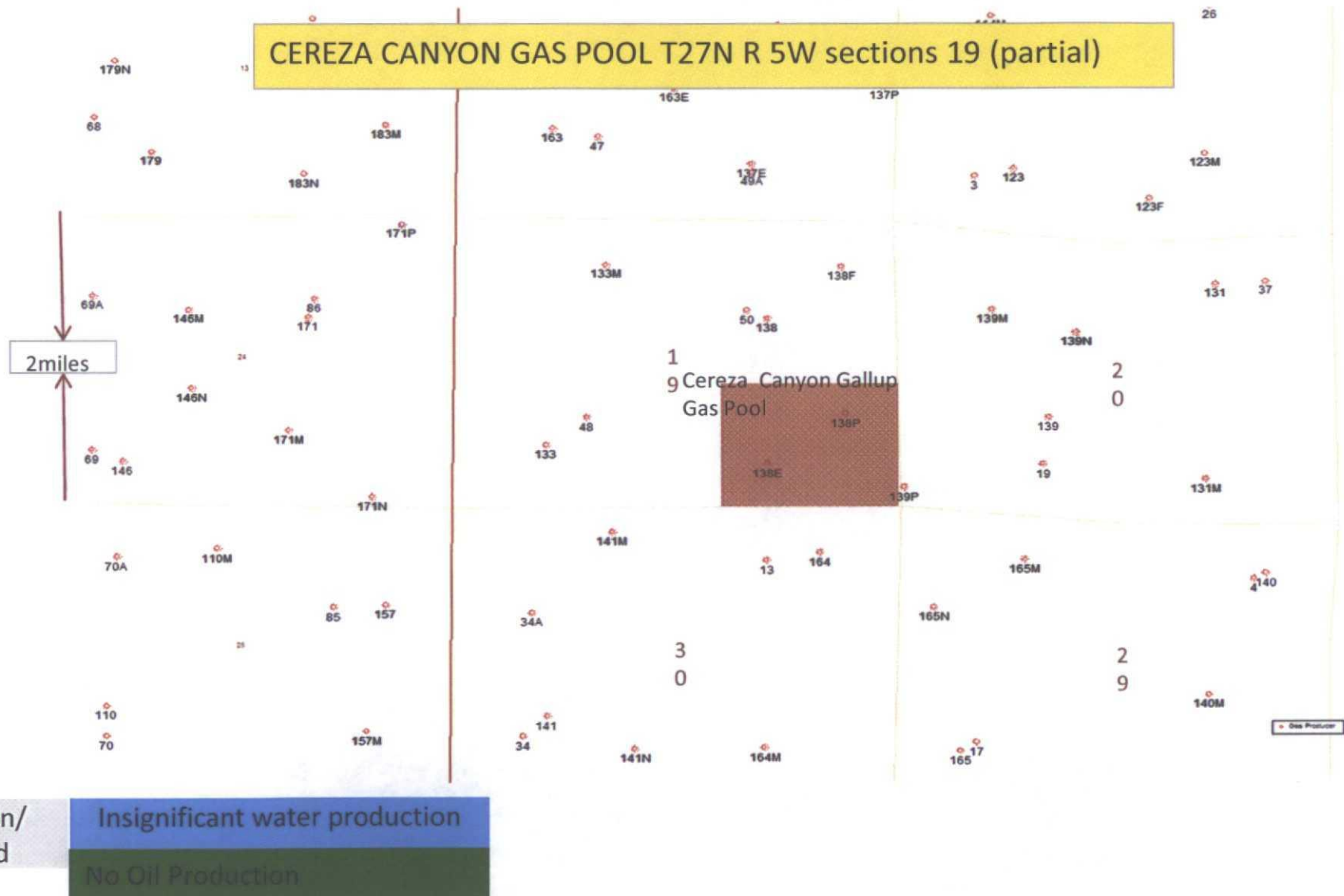
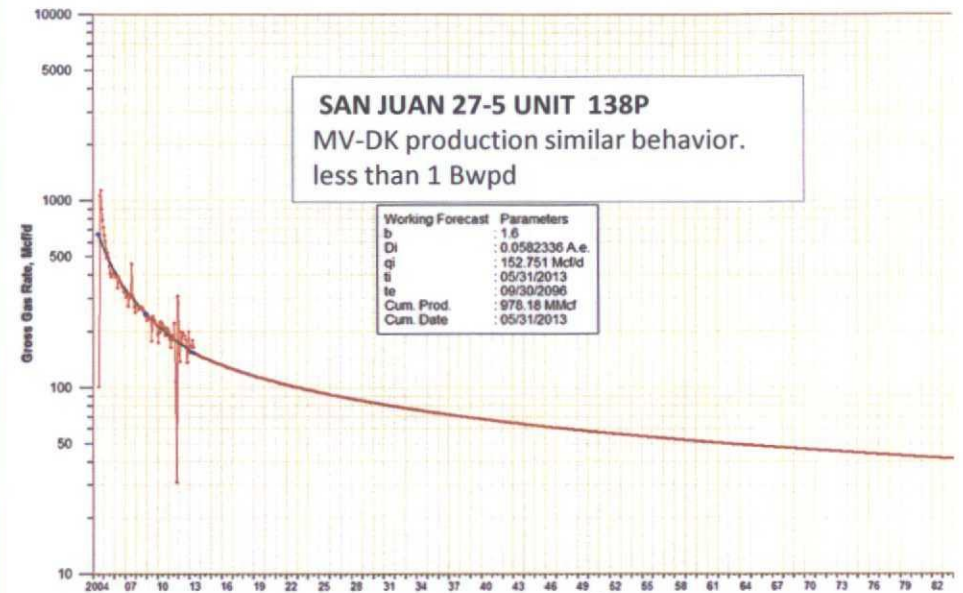
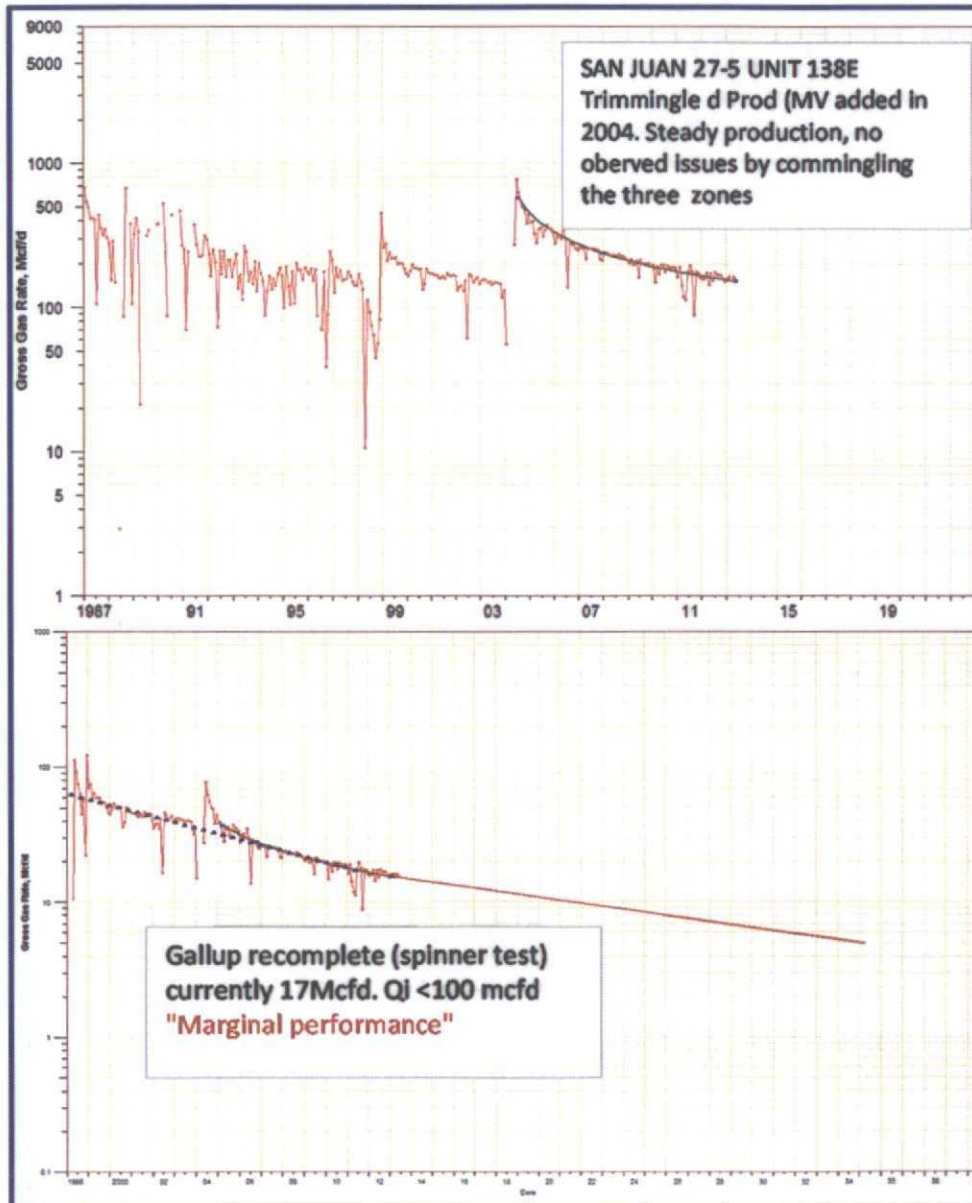


Cereza Canyon Gallup Gas Pool



Cereza Canyon Gallup Gas Pool

Production/ Marginal Gallup



Wells Around

Insignificant water production

No Oil Production

Criteria

- (a) Marginal production from Gallup
- (b) Fluid compatibility and water sensitivity/damage issues
- (c) Pressure criteria
- (d) Cross-flow issues
- (e) Will commingling decrease the value of production?

Cereza Canyon Gallup Gas Pool

Similar BTU content

Comp	Dakota	Mesaverde	Gallup
Methane	92.88%	82.88%	81.57%
Ethane	5.06%	9.37%	11.17%
Propane	1.03%	4.61%	4.17%
I-Butane	0.49%	2.02%	0.53%

Pressure differential do not pose a risk

Estimated Pressures	Dakota	Mesaverde	Gallup
	1200	900	2400

Line pressure
170 psia

Target zones

MV top perf 4900-5000

DK bot perf 7700-7800

Frac pressure 2970psi @ 0.6psi/ft

Criteria

- (a) Marginal production from Gallup
- (b) Fluid compatibility and water sensitivity/damage issues
- (c) Pressure criteria
- (d) Cross-flow issues
- (e) Will commingling decrease the value of production?