BOPCO, L.P.
201 MAIN ST.
FORT WORTH, TEXAS 76102-3131
817/390-8400

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April 2, 2009

FEDERAL EXPRESS

Bureau of Land Management
Carlsbad District Office
620 E. Green St.
Carlsbad, New Mexico 88220
Attn: Mr. Wesley Ingram

New Mexico State Land Office
Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501
Attention: Mr. Pete Martinez

New Mexico Oil Conservation Division
1220 St. Francis
Santa Fe, New Mexico 87505
Attention: Mr. William Jones

Re: Commercial Determination
James Ranch Unit Well No. 27
Delaware Formation
Eddy County, New Mexico

Gentlemen:

Please find attached hereto one (1) copy of Bass' commercial determination worksheets and exhibits which indicate that the subject well is a commercial well in the Delaware Formation. Please indicate your concurrence to the above Commercial Determination. Upon your execution hereof, Bass will submit a participating area for the well.

Thank you very much and should you have any questions or comments in regard to the attached commercial determination, please do not hesitate to contact the undersigned.

Very truly yours,

Brad Glasscock

Bureau of Land Management	New Mexico State Land Office	New Mexico Oil Conservation Division
By: ____________________	By: ____________________	By: ____________________
Its: ____________________	Its: ____________________	Its: ____________________
Date: ____________________	Date: ____________________	Date: ____________________

F:\landsecs\Merryn Documents\Docs\BG\Commercial Determinations\BLM-JRU #27 Delaware Formation - Commercial Determinations.doc

WORKSHEET FOR COMMERCIAL DETERMINATION AND PARTICIPATING AREA IN FEDERAL UNITS

WELL DATA

WELL: JAMES RANCH UNIT # 27 FORMATION: DELAWARE

LOCATION: I UNIT, 1780 FEET FROM SOUTH LINE & 200 FEET FROM EAST LINE

SECTION: 36 TOWNSHIP: 22S RANGE: 30E COUNTY: EDDY NEW MEXICO

SPUD DATE: 7/14/00 COMPLETION DATE: 10/2/00 INITIAL PRODUCTION: 11/3/00

PERFORATIONS: 7485-7490', 7680-7685'

STIMULATION:

ACID: 500 gal 15% HCL

FRACTURE: 97,888 gals Viking 30 + 239,000# Brady Sd, 95,837# 16/30 CR4000

POTENTIAL: Pmpd 84 BO 45 MCF 181 BW

(Attach Copy C-105. Attach Copy of Wellbore Sketch of Completed Well.)

VOLUMETRIC CALCULATION

	SANDS PERFORATED		SANDS NOT PERFORATED BUT POTENTIALLY PRODUCTIVE	
Area (A) proration unit size, acres	40			
Porosity (por), %	14.0%			
Water Saturation (Sw), %	60%			
Net Thickness (h), ft.	36			
Temperature (T), Fahrenheit	120			
Bottom Hole Pressure (P), psia	3182			
Recovery Factor (RF), %	15%			
Recoverable Oil, Bbls * (See eq. Below)	62,561			

*Sometimes unable to match performance due to volumetric uncertainty.

Formula = (7758) (A) (h) (1-SW) (1/Boi) (RF) Boi= 1.5

PERFORMANCE DATA

(If sufficient history exists, attach plot of oil production rate v time.)

CUMULATIVE PRODUCTION TO 1/31/01 4183 BBLS

	PRODUCING
INITIAL RATE (qi)	1424
ECONOMIC LIMIT (ql)	91
DECLINE RATE, dy (Hyperbolic, n=1.01)	69.2
REMAINING OIL (Q)=	36,317
ULTIMATE RECOVERABLE OIL	40,500

(Attach plat showing pro-ration unit and participating area.)

ECONOMIC

WELL COST $914,600 (to the depth of formation completed)

RECOMPLETION COST

TOTAL COST $914,600

YEAR	GROSS OIL	REVENUE	OPERATING COST (Includes Sev. Tax & Ad Val Tax)	10% NET BFIT DISCOUNTED CASH FLOW
ZERO				(914,600)
1	2,700	82,600	10,200	71,900
2	12,100	473,600	60,800	389,500
3	6,500	238,600	42,500	167,900
4	4,500	157,600	35,700	94,800
5	3,400	115,800	32,100	59,100
6	2,800	95,400	30,100	41,900
7	2,300	78,700	28,500	29,300
8	2,000	68,600	27,400	21,900
9	1,800	61,000	26,500	16,700
10	1,600	54,900	25,700	12,800
REMAINDER	600	96,600	86,300	14,200
TOTAL	40,300	$1,523,400	$405,800	$5,400

WELL IS COMMERCIAL

WELL HISTORY

WELL NAME: James Ranch Unit #27

FIELD NAME: Los Medanos (Wolfcamp, Bone Spring, Delaware)

LOCATION: 1780' FSL & 200' FEL, Sec 36, T22S, R30E, Eddy County, New Mexico

ELEV: 3316' GL, 3334' KB

SPUD DATE: 7/14/2000, RR 7/23/2000

COMP DATE: 8/29/2000

ORIG TD: 11,450'

ORIG PBTD: 11,357'

CASING: 11 ¾" 42# WC40 668' w/300 sx, cmt circ, 14 ¾" hole.
8 5/8" 32#,WC50,& 28# WC50, CSA 3809' w/1200 sx, cmt circ, 11' hole.
5 ½ 15.5 17# P110, CSA 11,450' 1ST STAGE 1240 SX DV TOOL 6877, 2ND STAGE 1000 SXS, TOC 1201'(TS).

TUBING: 2 7/8", 6.5# J-55, 8 RD

DST: None

CORES & LOGS: GR-CN-LDT-AIT(PLATFORM EXPRESS)

INITIAL COMPLETION

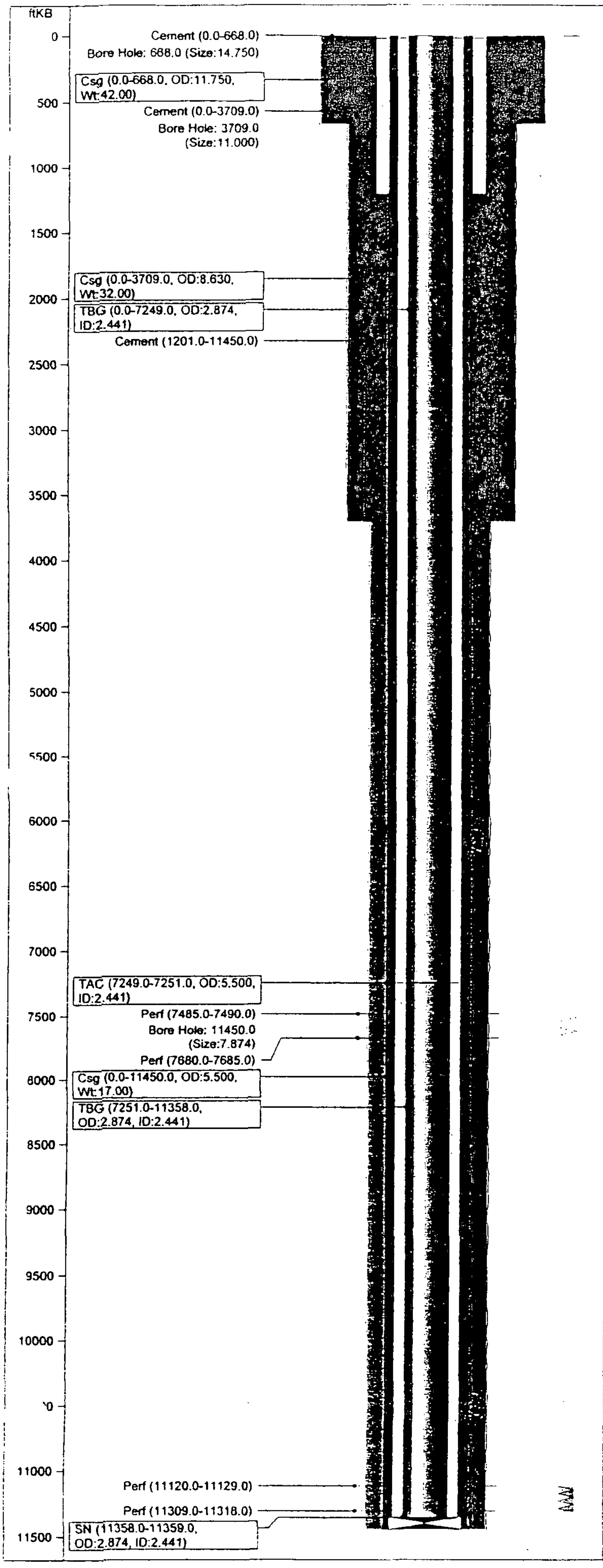
7/14/2000 TO 7/23/2000 **INITIAL COMPLETION**

TD 11,450', PBTD 11,357'.Ran logs.

Perf: 11309-318' WOLFCAMP 2 SPF 18 HOLES, 11,120-129' BONE SPRINGS 2 SPF 18 SHOTS. TREAT w/ 500 GAL 7 1/5% FERCHECK, 2500 GAL 7 1/5% FERCHECK ACID & 100 BS. **FRAC** w/117,800 gal Gel + 245,000# 20/40 Super LC RC sd. Avg 5078 psig. ISIP 3610 psi. 9/9/2000 (F) 126 BO, 34 BW 270 MCF.

10/17/2000 TO 11/15/2000

Set CIBP @ 7900', **Perf** LBC @ 7680-85' 10 shots, **U-Sand** 7485-90' 10 shots. Pmp 500 gal 15% HCL, **Frac** w/97,888 gal Viking 30, 239,000# 16/30 Brady, 95,837# 16/30 CR4000. Run Tbg, Set Pmp Unit, 11/15/00 Test Delaware 84 BO 181 BW, 45 MCF.



JAMES RANCH UNIT #27

API No.	3001531033	Comments	
TD	11450.0 ftKB	Status	ACT OIL
PBTD	11357.0 ftKB	Engineer	KAA
Operator	BEPCO	Permit	
Well No.	27	Spud	7/14/2000
ID Code		RR	8/23/2000
Field	LOS MEDANOS	Completion	8/29/2000
Author	CDP	Last Act.	
Date Updated	11/16/2000	Abandoned	

Location

Township	22S	Top Latitude	0
		Top Longitude	0
Range	30E	Top NS Distance	1780.0 ft S
		Top EW Distance	200.0 ft E
Section	36	Bottom Latitude	0
Unit Ltr.		Bottom Longitude	0
State	NM	Btm NS Distance	0.0 ft
County	EDDY	Btm EW Distance	0.0 ft

Elevations

KB	3334.8 ft	Cas Flng	0.0 ft
Grd	3316.0 ft	Tub Head	0.0 ft
KB-Grd	18.8 ft		

Casing String - Surface Casing

Des	Date	Top (ftKB)	Btm (ftKB)	Jts	OD	ID	Wt	Grd	Thd
Csg	7/14/2000	0.0	668.0		11.750	11.080	42.00		

Casing String - Intermediate Casing

Des	Date	Top (ftKB)	Btm (ftKB)	Jts	OD	ID	Wt	Grd	Thd
Csg	7/18/2000	0.0	3709.0		8.630	7.920	32.00		

Casing String - Production Casing

Des	Date	Top (ftKB)	Btm (ftKB)	Jts	OD	ID	Wt	Grd	Thd
Csg	8/23/2000	0.0	11450.0	257	5.500	4.890	17.00	P110	LTC

Casing Cement

Casing String	Date	Top (ftKB)	Btm (ftKB)	Amt (sx)	Comments
Surface Casing	7/14/2000	0.0	668.0	300	
Intermediate Casing	7/18/2000	0.0	3709.0	1200	
Production Casing	8/23/2000	1201.0	11450.0	2240	TOC TS 1201

Tubing String - Tubing

Des	Date	Top (ftKB)	Bottom (ftKB)	Jts	OD (in)	ID (in)	Wt	Grd	Thd
TBG	10/22/2000	0.0	7249.0	231	2.874	2.441	6.50	N80	EUE
TAC	10/22/2000	7249.0	7251.0		5.500	2.441	6.50		
TBG	10/22/2000	7251.0	11358.0	131	2.874	2.441	6.50	N80	EUE
SN	10/22/2000	11358.0	11359.0		2.874	2.441	6.50	N80	EUE

Other (plugs, equip., etc.) - Plug Back

Date	Item	Top (ftKB)	Bottom (ftKB)	OD	ID
8/23/2000	Cement Plug	11357.0	11450.0	4.890	5.500

Perforations

Date	Int	Holes	Status
8/29/2000	11120.0 - 11129.0	18.0	OPEN
8/29/2000	11309.0 - 11318.0	18.0	OPEN
10/17/2000	7485.0 - 7490.0	10.0	OPEN
10/17/2000	7680.0 - 7685.0	10.0	OPEN

Stimulations & Treatments

Date	Type	Int	Fluid	Sand
		0.0 - 0.0		
8/31/2000	ACID	11120.0 - 11318.0	3000 GAL 7 1/2" FERCHECK ACID	
9/1/2000	Sd Frac	11120.0 - 11318.0	117,800 GAL GEL	245,000# 20/40 RCS
10/19/2000	Sd Frac	7485.0 - 7685.0	97,888 GAL VIKING 30	239,600# 16/30 BRADY 95,837# CR4000

(August 1999) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT OPERATOR COPY OMB NO. 1004-0137 Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. NM-02953-C

1a. Type of Well [X] Oil Well [ ] Gas Well [ ] Dry Other

b. Type of Completion: [X] New Well [ ] Work Over [ ] Deepen [ ] Plug Back [ ] Diff.Resvr., Other

6. If Indian, Allotee or Tribe Name

7. Unit or CA Agreement Name and No. James Ranch Unit

CONFIDENTIAL

2. Name of Operator Bass Enterprises Production Co.

8. Lease Name and Well No. James Ranch Unit # 27

3. Address P.O. Box 2760 Midland, TX 79702-2760

3a. Phone No. (include area code) (915) 683-2277

9. API Well No. 30-015-31033

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface 200' FEL & 1780' FSL

At top prod. interval reported below

At total depth 660 FWL & 1980 FSL Sec. 31 T22S-R31E

10. Field and Pool, or Exploratory Los Medanos, South

11. Sec., T., R., M., or Block and Survey or Area Section 36, T22S-R30E

12. County or Parish Eddy

13. State New Mexico

14. Date Spudded 7/13/00

15. Date T.D. Reached 8/23/00

16. Date Completed [ ] D & A [X] Ready to Prod. 9/2/00

17. Elevations (DF, RKB, RT, GL)* 3316' FL, 3334.8' KB

18. Total Depth: MD 11,450' TVD

19. Plug Back T.D.: MD 11,357' TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

22. Was well cored? [X] No [ ] Yes (Submit analysis)
Was DST run [X] No [ ] Yes (Submit report
Directional Survey? [ ] No [X] Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt.(#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No.of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
14-3/4"	11-3/4"	42#	0	668'	- - -	350 Class B	- - -	Surface	N/A
11"	8-5/8"	32#	0	3709'	- - -	900 Prem Pl	- - -	Surface	N/A
7-7/8"	5-1/2"	17#	1201'	11,450'	- - -	2240 Prem Pl	- - -	1201' TS	N/A

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	7320'	7320'						

25. Producing Intervals / 26. Perforation Record

	Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)	Bone Spring	11,111'	11,139'	11,120-129'	0.4	18	CIBP @ 7900'
B)	Wolfcamp	11,301'	11,327'	11,309-318'	0.4	18	CIBP @ 7900'
C)	Delaware	7291'	7400'	7485-90'	0.4	10	Producing
D)	Delaware	7493'	7672'	7680-85'	0.4	10	Producing

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
11,120-129, 11,309-318'	Acidized w/ 2500 gals 7-1/2% fercheck acid. Frac'd w/ 117,300 gals gel w/
	245,000# Super LC resin coated 20/40 sand.
7485-90', 7680-85'	Acidize w/500 gals 15% HCl w/ additives. Frac'd w/ 97,888 gals Viking 30
	+ 335,517 Brady Sand.

ACCEPTED FOR RECORD

DEC 0 3 2000

BLM

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
9/8/00	9/28/00	24	→	50	102	102	44.2		Flowing

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status
36/64"	54	1550	→	50	102	102	2040	CIBP @ 7900'

28a. Production-Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
9/8/00	9/28/00	24	→	50	102	102	44.2		Flowing

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status
36/64"	54	1550	→	50	102	102	2040	CIBP @ 7900'

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

CONFIDENTIAL

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-015-31033	96336	Los Medanos (Wolfcamp) South

Property Code	Property Name	Well Number
001786	JAMES RANCH UNIT	27

OGRID No.	Operator Name	Elevation
001801	BASS ENTERPRISES PRODUCTION COMPANY	3316'

Surface Location

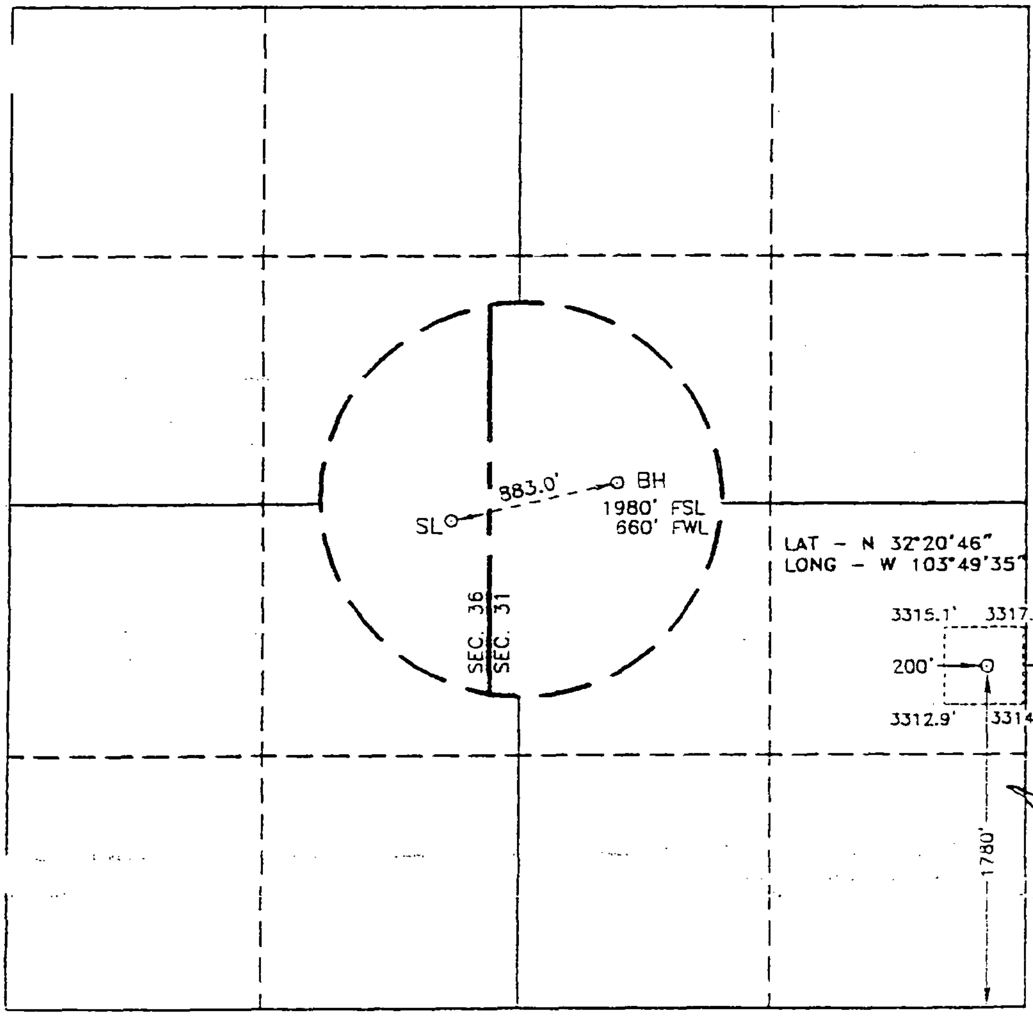
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	36	22 S	30 E		1780	SOUTH	200	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 3	31	22 S	31 E		1980	SOUTH	660	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Tami Wilber
Signature

Tami Wilber
Printed Name

Production Clerk
Title

11/20/00
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

November 16, 1999
Date Surveyed

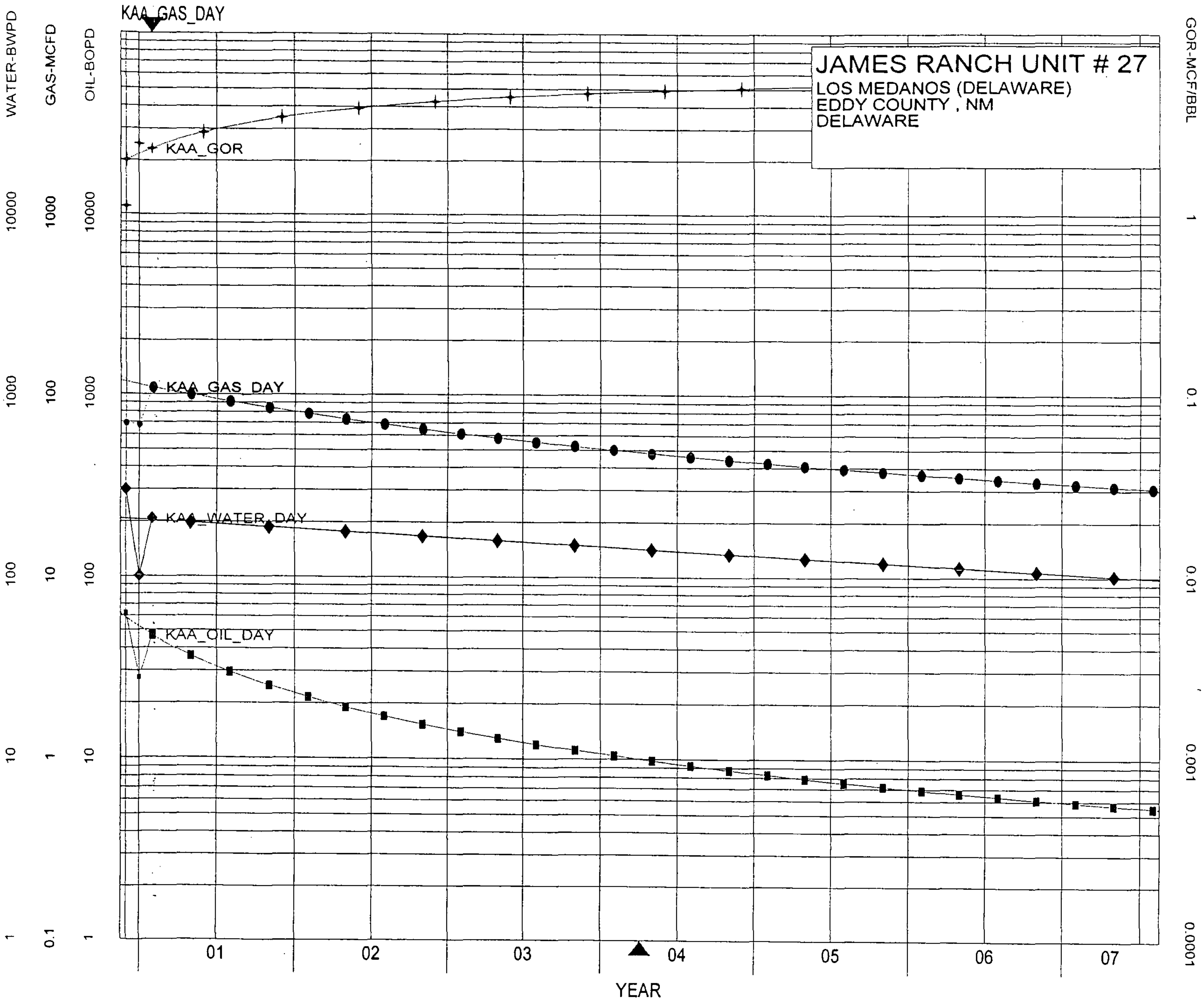
Signature & Seal of Professional Surveyor

GARY L. JONES
NEW MEXICO
7977
REGISTERED PROFESSIONAL LAND SURVEYOR

W.O. No. [illegible]

Certificate No. Gary L. Jones 7977

BASIN SURVEYS



KAA_OIL_DAY	
Qual=	CD
Ref=	2/2001
Cum=	4183
Rem=	40451
EUR=	44634
Yrs=	12.663
Qref=	46.8
De=	53.978283
b=	1.010000
Qab=	3.0

KAA_GAS_DAY	
Qual=	CD
Ref=	2/2001
Cum=	7558
Rem=	211278
EUR=	218836
Yrs=	18.079
Qref=	109.1
De=	28.210000
b=	0.990000
Qab=	13.3

KAA_WATER_DAY	
Qual=	CD
Ref=	2/2001
Cum=	18590
Rem=	664658
EUR=	683248
Yrs=	48.000
Qref=	203.2
De=	10.510000
b=	0.000000
Qab=	1.0

KAA_GOR	
Qual=	CD
Ref=	2/2001
Cum=	0
Rem=	0
EUR=	0
Yrs=	12.663
Qref=	2.3
De=	0.000000
b=	0.000000
Qab=	0.0

Ja[illegible]as Ranch U #27
Los Medanos (L [illegible]aware)

Date: 03/13/2001
Time: 16:03:17
DBS: INDWELLS
Settings: SETDATA
Scenario: cd

ITEM NAME	INPUT DATA: Scheduling Rates			Schedule Until		Procedure		INITIAL CALCULATED DATA: Ultimate	Last	Eff. Decl	Init. Rate	Final Rate
400 OIL	11/2000 1871 852 1460 #							4.183	1/2001			
401 GAS	11/2000 2066 2099 3393 #							7.558	1/2001			
402 WTR	11/2000 8994 3130 6466 #							18.590	1/2001			
403 START	02/2001											
404 OIL	1424.51	X	B/M	40.45	IMU	B/1.010	53.98	40.451	9/2013	69.2	1425.	91.
405 START	02/2001											
406 GAS	3318.31	X	M/M	03/2018	AD	B/0.990	28.21	206.297	2/2018	32.4	3318.	426.
407 "	425.83	X	M/M	4.98	IMU	EXP	5.00	211.278	2/2019	5.0	426.	405.
408 START	02/2001											
409 WTR	6180.70	X	B/M	664.66	IMU	EXP	10.51	664.658	12/2048	10.5	6181.	30.
410 START	11/2000											
511 PRI/OIL	16.8800	X	$/B	1/95	MM/YY	PC	0.00		9/2013		16.880	
512 "	18.39	X	$/B	1/96	AD	PC	0.00		9/2013		18.390	
513 "	22.26	X	$/B	1/97	AD	PC	0.00		9/2013		22.260	
514 "	20.74	X	$/B	1/98	AD	PC	0.00		9/2013		20.740	
515 "	14.43	X	$/B	1/99	AD	PC	0.00		10/2000		14.430	
516 "	19.25	X	$/B	1/2000	AD	PC	0.00		10/2000		19.250	
517 "	30.25	X	$/B	1/2001	AD	PC	0.00		12/2000		30.250	30.250
518 "	27.60	X	$/B	1/2002	AD	PC	0.00		12/2001		27.600	27.600
519 "	23.88	X	$/B	1/2003	AD	PC	0.00		12/2002		23.880	23.880
520 "	22.10	X	$/B	01/2004	AD	PC	0.00		12/2003		22.100	22.100
521 "	21.40	X	$/B	01/2005	AD	PC	0.00		12/2004		21.400	21.400
522 "	21.20	X	$/B	06/2005	AD	PC	0.00		5/2005		21.200	21.200
523 "	21.20	X	$/B	03/2006	AD	PC	0.00		2/2006		21.200	21.200
524 "	20.20	20.20	$/B	TO	LIFE	PC	0.00		2/2006		20.200	20.200
526 PRI/GAS	1.8900	X	$/M	1/95	MM/YY	PC	0.00		9/2013		1.890	
527 "	1.94	X	$/M	1/96	AD	PC	0.00		9/2013		1.940	
528 "	2.61	X	$/M	1/97	AD	PC	0.00		9/2013		2.610	
529 "	2.59	X	$/M	1/98	AD	PC	0.00		10/2000		2.590	
530 "	2.11	X	$/M	1/99	AD	PC	0.00		10/2000		2.110	
531 "	2.27	X	$/M	1/2000	AD	PC	0.00		10/2000		2.270	
532 "	3.88	X	$/M	1/2001	AD	PC	0.00		12/2000		3.880	3.880
533 "	6.63	X	$/M	01/2002	AD	PC	0.00		12/2001		6.630	6.630
534 "	5.02	X	$/M	01/2003	AD	PC	0.00		12/2002		5.020	5.020
535 "	4.37	X	$/M	01/2004	AD	PC	0.00		12/2003		4.370	4.370
536 "	3.85	X	$/M	01/2005	AD	PC	0.00		12/2004		3.850	3.850
537 "	3.82	X	$/M	01/2006	AD	PC	0.00		12/2005		3.820	3.820
538 "	3.70	3.70	$/M	TO	LIFE	PC	0.00		12/2005		3.700	3.700
540 PRI/OIL	-0.9100	X	$/B	TO	LIFE	PC	0.00				-0.910	24010.000
542 PRI/GAS	-0.1300	X	$/M	TO	LIFE	PC	0.00		2/2006		-0.130	24010.000

600	OPC/T	1600.00	X	$/M	TO	LIFE	PC	0.00	9/2013	1600.000	1600.000
601	OPC/WTR	0.08	0.08	$/U	TO	LIFE	PC	0.00	10/2000	0.080	0.080
602	ATX	0.17	X	%	TO	LIFE	PC	0.00	9/2013	0.002	0.002
602	OPC/T	0.00	X	$/M	TO	LIFE	PC	0.00	9/2013		1600.000
603	STX/OIL	7.08	X	%	TO	LIFE	PC	0.00	9/2013	0.071	0.071
604	ATX	0.00	X	%	TO	LIFE	PC	0.00	9/2013		0.002
604	STX/GAS	7.93	X	%	TO	LIFE	PC	0.00	9/2013	0.079	0.079
605	STX/OIL	0.00	X	%	TO	LIFE	PC	0.00	9/2013		0.071
606	STX/GAS	0.00	X	%	TO	LIFE	PC	0.00	9/2013		0.079
705	LSE/WI	100.0000	D	%	TO	LIFE	FLAT	0.00	9/2013	1.000	1.000
720	NET/OIL	86.5000	D	%	TO	LIFE	FLAT	0.00	9/2013	0.865	0.865
740	NET/GAS	86.5000	D	%	TO	LIFE	FLAT	0.00	9/2013	0.865	0.865
780	LSE/NPI	0.0000	D	%	TO	LIFE	FLAT	0.00	9/2013		

OVERLAYS	Scheduling Rates	Schdule Until	Procedure	Ultimate	Last	Eff. Decl	Init. Rate	Final Rate
900 OIL	11/2000 1871 852 1460 #			4.183	1/2001			
901 GAS	11/2000 2066 2099 3393 #			7.558	1/2001			
902 WTR	11/2000 8994 3130 6466 #			18.590	1/2001			

INVESTMENT	Tangibles & Intangibles		Time		Procedure		Total T&I	Month	Risk Inv.	Tot. T&I&R	Esc. T&I&R
800 DRILL	182.90	731.70 M$G	11/2000	AD	PC	0.00	914.600	11/2000	0	914.6	914.6
801 SALV	-33.00	0.00 M$G	TO	LIFE	PC	0.00	-33.000	9/2013	0	-33.0	-33.0

MISC. PARAMETERS		Item	Item
250 LOSS	NO		

PROJECT RUN SETTINGS

Base Date : 11/2000 Time Frames : 2,48*12,622
P.W. Date : 11/2000 Primary PW% : 10.0 Discount Freq. : MO
Report Date : 11/2000
Qualifiers : Prod = CD Price = CD Cost = CD Owner = CD
Title = DEFAULT Misc = CD Invest = CD Overlay = CD
NET/WTR WI

James Ranch U #27
Los Medanos (L .ware)

DATE : 03/13/2001
TIME : 16:03:17
DBS : INDWELLS
SETTINGS : SETDATA
SCENARIO : cd

R E S E R V E S   A N D   E C O N O M I C S

AS OF DATE: 11/2000

PERIOD ENDING	12/2000	12/2001	12/2002	12/2003	12/2004	12/2005	12/2006	12/2007	12/2008	12/2009	S TOT	AFTER	12.9 YR TOTAL
OWNERSHIP													
1) WORKING INTEREST, %	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000	100.000
2) REVENUE INTEREST, %	86.500	86.500	86.500	86.500	86.500	86.500	86.500	86.500	86.500	86.500	86.500	86.501	86.500
INVESTMENTS, M$													
3) BORROWED CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4) EQUITY INVESTMENTS	914.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	914.6	-33.0	881.6
5) RISK	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7) TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	881.6	881.6
OIL PHASE													
8) GROSS OIL, MB	2.7	12.1	6.5	4.5	3.4	2.8	2.3	2.0	1.8	1.6	39.8	0.6	40.5
9) NET OIL, MB	2.4	10.5	5.7	3.9	3.0	2.4	2.0	1.8	1.5	1.4	34.5	0.5	35.0
10) OIL REVENUE, M$	69.1	279.2	129.8	82.6	61.0	49.0	39.5	33.8	29.7	26.5	800.2	10.4	810.6
11) OIL PRICE, $/B	29.34	26.69	22.97	21.19	20.49	20.29	19.47	19.29	19.29	19.29	23.23	19.29	23.17
GAS PHASE													
12) GROSS GAS, MMF	4.2	34.6	25.7	20.5	17.0	14.5	12.7	11.3	10.1	9.2	159.8	27.9	187.7
13) NET GAS, MMF	3.6	29.9	22.2	17.7	14.7	12.6	11.0	9.8	8.8	8.0	138.2	24.2	162.4
14) GAS REVENUE, M$	13.5	194.4	108.8	75.1	54.7	46.4	39.2	34.8	31.3	28.4	626.6	86.2	712.8
15) GAS PRICE, $/MCF	3.750	6.500	4.890	4.240	3.720	3.690	3.570	3.570	3.570	3.570	4.534	3.570	4.390
WTR PHASE													
28) GROSS WTR MB	12.1	71.1	63.4	56.7	50.8	45.4	40.7	36.4	32.6	29.1	438.4	83.0	521.4
29) NET WTR, MB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	521.4	521.4
30) WTR REVENUE, M$	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31) WTR PRICE, $/T	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ECONOMICS, M$													
32) GROSS REV. TO INTR.	82.6	473.6	238.6	157.6	115.8	95.4	78.7	68.6	61.0	54.9	1426.8	96.6	1523.4
33) - SEV. TAX	6.0	35.2	17.8	11.8	8.7	7.1	5.9	5.2	4.6	4.1	106.3	7.6	113.9
34) - AD VALOREM TAX	0.1	0.7	0.4	0.2	0.2	0.2	0.1	0.1	0.1	0.1	2.2	0.2	2.4
35) - OPERATING COSTS	4.2	24.9	24.3	23.7	23.3	22.8	22.5	22.1	21.8	21.5	211.1	78.6	289.7
36) - CAPITAL REPAYMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
37) - INTEREST PAID	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
38) - NPI PAID	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
39) + NPI OWNED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
40) = NET INCOME	72.4	412.8	196.1	121.9	83.7	65.3	50.2	41.2	34.5	29.2	1107.1	10.3	1117.4
41) - INVESTMENTS & RSK	914.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	914.6	-33.0	881.6
42) = BFIT NET	-842.2	412.8	196.1	121.9	83.7	65.3	50.2	41.2	34.5	29.2	192.5	43.3	235.8
PRESENT WORTH @ 10.00 %													
43) NET INCOME	71.9	389.5	167.9	94.8	59.1	41.9	29.3	21.9	16.7	12.8	905.7	4.5	910.2
44) INVESTMENTS & RISK	914.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	914.6	-9.7	904.9

45) BFIT NET	-842.7	389.5	167.9	94.8	59.1	41.9	29.3	21.9	16.7	12.8	-8.9	14.2	5.3
46) CUM BFIT	-842.7	-453.2	-285.3	-190.6	-131.4	-89.5	-60	-38.3	-21.7	-8.9	-8.9	5.3	5.3

James Ranch U[illegible] #27
Los Medanos ([illegible] ware)

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A F T E R   T A X   E C O N O M I C S

AS OF DATE: 11/2000

PERIOD ENDING	12/2000	12/2001	12/2002	12/2003	12/2004	12/2005	12/2006	12/2007	12/2008	12/2009	S TOT	AFTER	12.9 YR TOTAL
TAX TREATMENT OF INVESTMENTS, M$													
1) EXP, RISK & CAP INT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2) DEPLETABLE	731.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	731.7	0.0	731.7
3) DEPRECIABLE	182.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	182.9	-33.0	149.9
TAX CALCULATIONS, M$													
4) GROSS REV. TO INTR.	82.6	473.6	238.6	157.6	115.8	95.4	78.7	68.6	61.0	54.9	1426.8	96.6	1523.4
5) - SEVERANCE TAX	6.0	35.2	17.8	11.8	8.7	7.1	5.9	5.2	4.6	4.1	106.3	7.6	113.9
6) - OPR. COSTS & ATX	4.3	25.6	24.6	24.0	23.4	23.0	22.6	22.2	21.9	21.6	213.3	78.8	292.1
7) - NPI PAID	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8) + NPI OWNED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9) - OVERHEAD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10) - EXPENSED INV.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11) - DEPRECIATION	54.9	38.4	26.9	18.8	13.2	9.2	6.5	4.5	3.2	2.2	177.7	5.2	182.9
12) = NET	17.5	374.4	169.2	103.0	70.5	56.0	43.8	36.7	31.4	27.0	929.4	5.1	934.5
13) - DEPLETION TAKEN	49.3	218.8	118.2	81.5	62.3	50.5	42.4	36.6	32.2	28.8	720.4	11.3	731.7
14) - INTEREST PD & CAP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
15) = TAXABLE	-31.8	155.6	51.0	21.6	8.2	5.6	1.4	0.1	-0.9	-1.8	209.0	-6.2	202.8
16) * TAX RATE, %	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0
17) - TAX CREDIT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18) = F.I.T.	-10.8	52.9	17.4	7.3	2.8	1.9	0.5	0.0	-0.3	-0.6	71.0	-2.1	69.0
19) REVENUE-SEV	76.7	438.4	220.7	145.8	107.1	88.2	72.8	63.4	56.4	50.8	1320.5	89.1	1409.5
20) - OPR. COSTS & ATX	4.3	25.6	24.6	24.0	23.4	23.0	22.6	22.2	21.9	21.6	213.3	78.8	292.1
21) - NPI PAID	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
22) + NPI OWNED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
23) - F.I.T.	-10.8	52.9	17.4	7.3	2.8	1.9	0.5	0.0	-0.3	-0.6	71.0	-2.1	69.0
24) = A.F.I.T.	83.2	359.9	178.7	114.5	80.9	63.4	49.8	41.2	34.8	29.8	1036.1	12.4	1048.5
25) - LOAN REPAYMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
26) - INTEREST PAID	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27) = NET INCOME	83.2	359.9	178.7	114.5	80.9	63.4	49.8	41.2	34.8	29.8	1036.1	12.4	1048.5
28) - INVESTMENTS & RSK	914.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	914.6	-33.0	881.6
29) = A.F.I.T. NET	-831.4	359.9	178.7	114.5	80.9	63.4	49.8	41.2	34.8	29.8	121.5	45.4	166.9
PRESENT WORTH @ 10.00 %													
30) NET INCOME	82.5	337.7	152.5	88.8	57.0	40.6	29.0	21.8	16.8	13.0	839.8	5.0	844.8
31) INVESTMENTS & RISK	914.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	914.6	-9.7	904.9
32) A.F.I.T. NET	-832.1	337.7	152.5	88.8	57.0	40.6	29.0	21.8	16.8	13.0	-74.8	14.7	-60.1
33) CUM. A.F.I.T. NET	-832.1	-494.4	-341.9	-253.1	-196.1	-155.5	-126.4	-104.6	-87.9	-74.8	-74.8	-60.1	-60.1

James Ranch U #27
Los Medanos (… ware)

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E C O N O M I C   I N D I C A T O R S

AS OF DATE: 11/2000

PRESENT WORTH PROFILE AND
RATE-OF-RETURN VS. BONUS TABLE

	B.F.I.T. WORTH M$------	A.F.I.T. WORTH M$------	A.F.I.T. BONUS M$------
0.	235.806	166.852	252.806
5.	103.635	36.374	51.778
10.	5.299	-60.120	-81.840
15.	-70.669	-134.303	-176.821
20.	-131.186	-193.168	-247.850
25.	-180.620	-241.106	-303.090
30.	-221.847	-280.989	-347.399
35.	-256.826	-314.766	-383.832
40.	-286.938	-343.802	-414.397
50.	-336.291	-391.324	-463.023
60.	-375.232	-428.778	-500.208
70.	-406.895	-459.217	-529.743
80.	-433.252	-484.554	-553.885
90.	-455.606	-506.047	-574.065
100.	-474.858	-524.564	-591.237
RATE OF RETURN, PCT.	10.3	6.9	
UNDISCOUNTED PAYOUT, YRS.	4.59	5.85	
DISCOUNTED PAYOUT, YRS.	12.47	12.92	
UNDISCOUNTED NET/INVEST.	1.27	1.19	
DISCOUNTED NET/INVEST.	1.01	0.93	

NOTES
