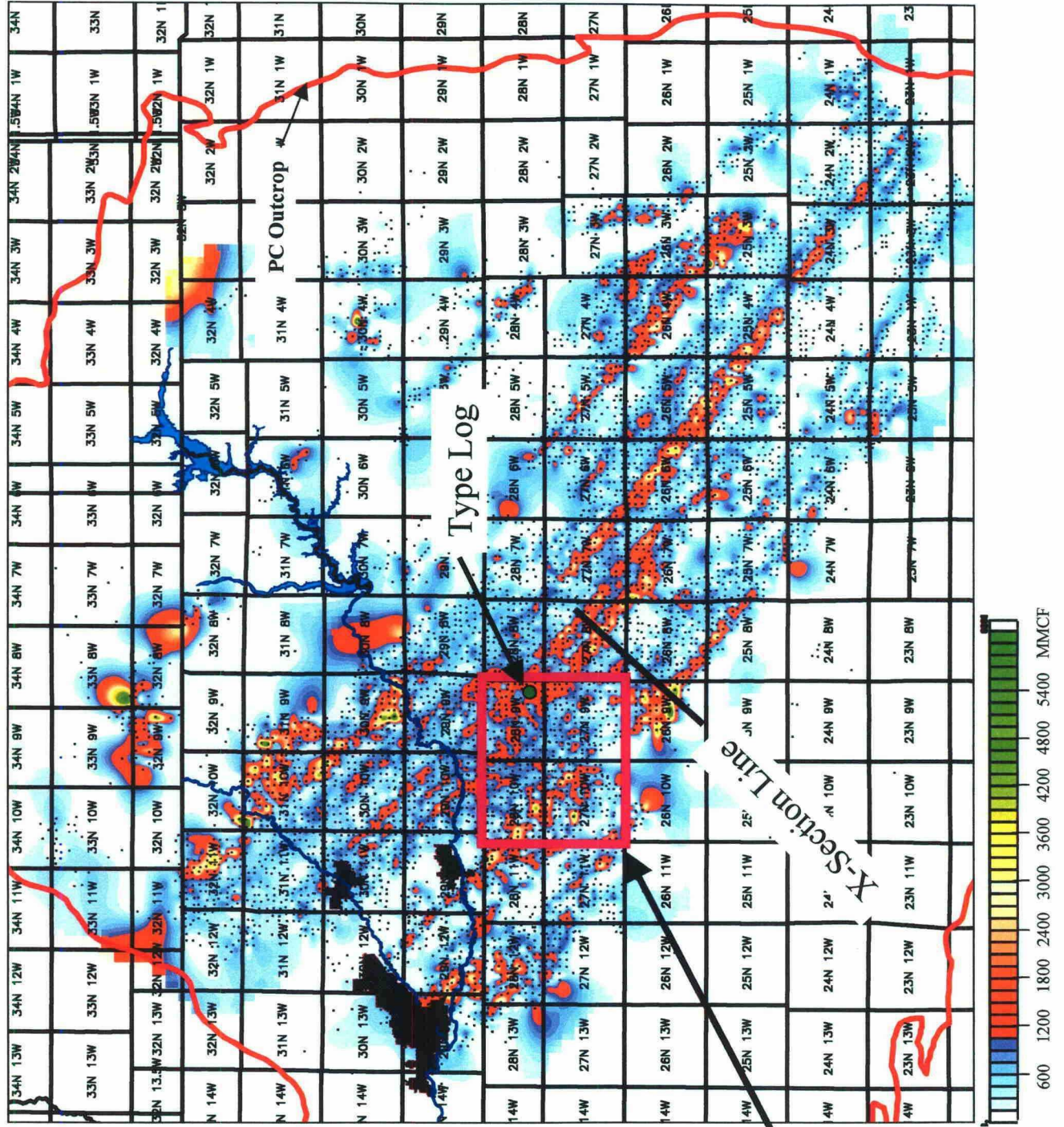




Exhibit Tab No. 3

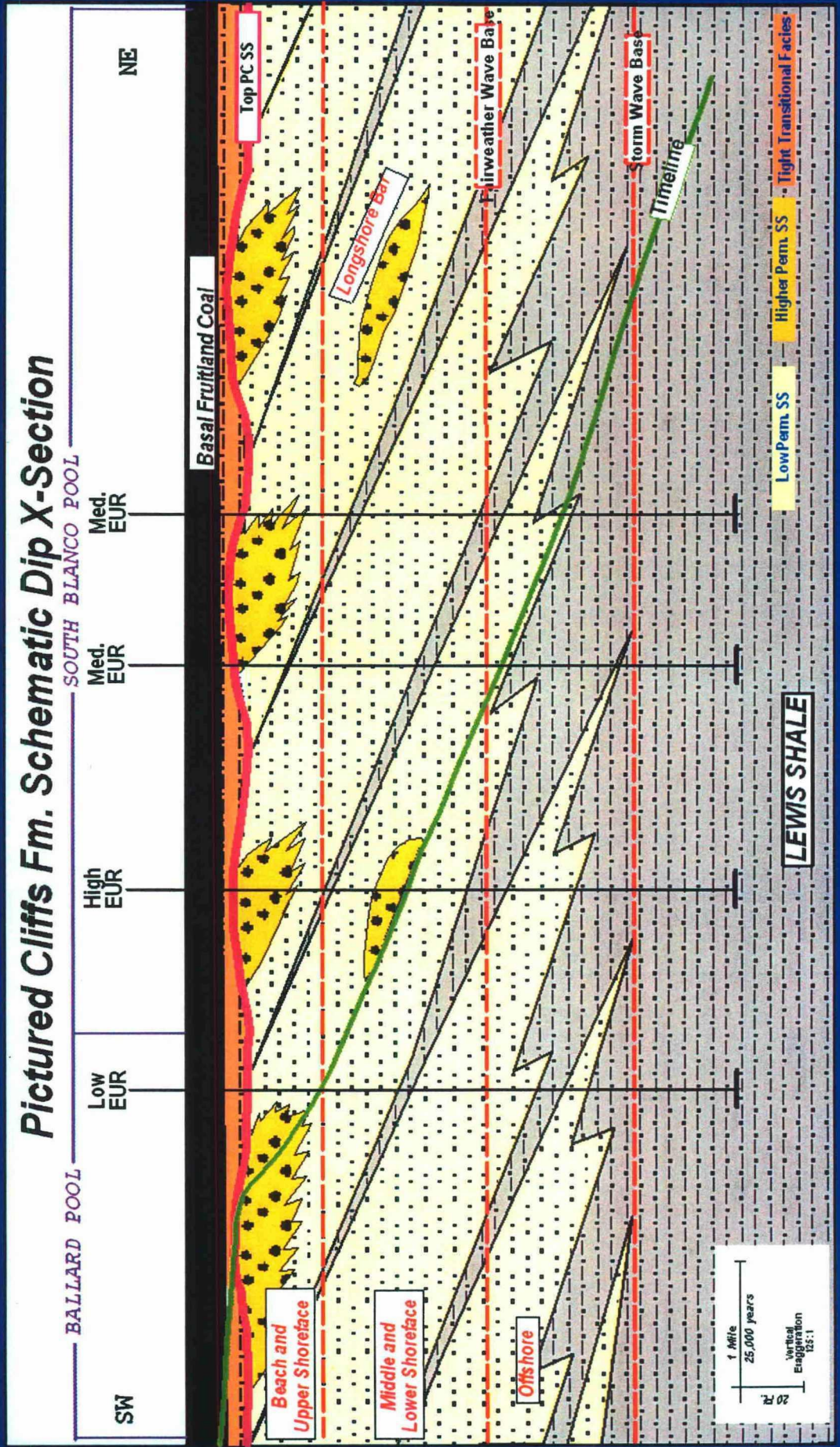
Pictured Cliffs Geology

Pictured Cliffs Cumulative Production Map



Volumetric
Study Area

Pictured Cliffs Fm. Schematic Dip X-Section

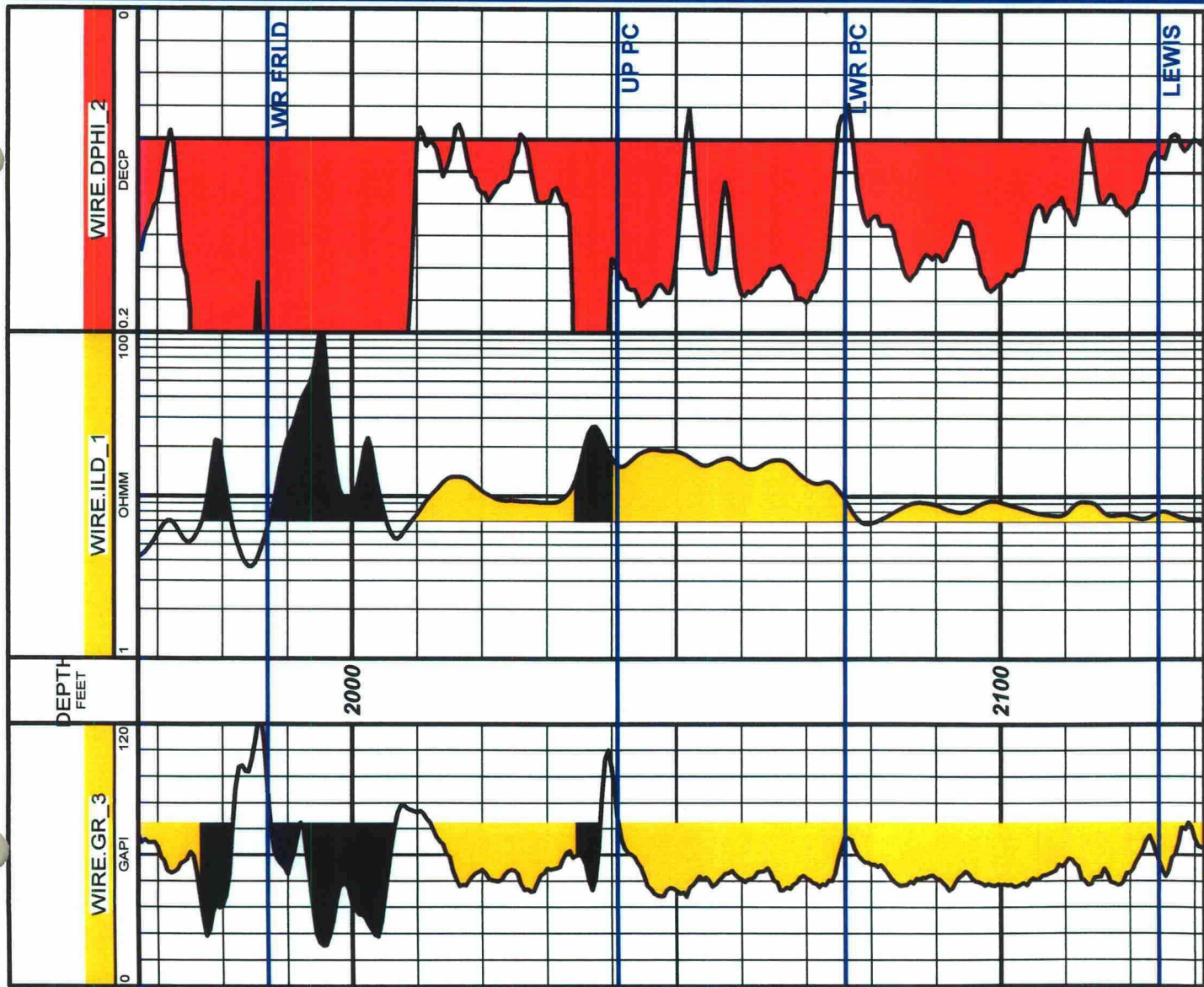


Huerfanito Unit 82M

NW sec 25-T27N-R9W

Upper Pictured Cliffs
342 psig

Lower Pictured Cliffs
406 psig



Pictured Cliffs Characteristics

- Prograding, wave-dominated, deltaic deposits
- Coarsening upward, fine grain vertical sequences
- 5-25% total clay content with downdip increase in mixed layer clays
- High capillary pressure
- 60-110 ft. gross sandstone thickness
- Matrix permeability varies by orders of magnitude, both vertically and horizontally
- Porosity/permeability generally decrease with depth
- Underpressured reservoir
- Natural fracturing is inferred from production trends