

RESERVOIR DATA - WOLFCAMP FORMATION
PENNZOIL - HUDSON FEDERAL "29" NO. 1
SOUTH CORBIN WOLFCAMP FIELD
LEA COUNTY, NEW MEXICO

| | |
|--------------------------------|--------------------|
| Gross producing interval | 10,900' - 11,006' |
| Net pay | 50' |
| Porosity | 5.85% |
| Permeability | 4.6 md. |
| Water saturation | 35% |
| Bottom hole pressure - initial | 4,280 psi |
| Oil gravity | 42 |
| Formation volume factor | 1.80 RB/STB |
| Gas - oil ratio | 1,560 |
| Recovery factor | 17% |
| Reservoir energy | Solution-gas drive |

PRODUCTION DATA

SOUTH CORBIN WOLFCAMP FIELD

LEA COUNTY, NEW MEXICO

AZTEC
FEDERAL "MA" NO. 2

AZTEC
FEDERAL "PA" NO. 1

PENNZOIL
HUDSON FEDERAL "29" NO. 1

| | | | |
|--------------|-------|--------|----------------|
| August-1967 | 2284 | | |
| September | 1781 | | |
| October | 147 | | |
| November | 0 | 6410 | |
| December | 1616 | 5110 | |
| January-1968 | 982 | 3212 | |
| February | 756 | 1714 | |
| March | 542 | 636 | |
| April | 494 | 474 | 3146 (19 days) |
| Totals | 8,602 | 17,556 | 3146 |

Cumulative to May 1, 1968 is 29,304 barrels

BOTTOM HOLE PRESSURE DATA
SOUTH CORBIN WOLFCAMP FIELD
LEA COUNTY, NEW MEXICO

AZTEC
FEDERAL "MA" NO. 2

DST - August 1967

I.S.I.P. 4419 psi
F.S.I.P. 4259 psi

AZTEC
FEDERAL "PA" NO. 1

DST - October 1967

I.S.I.P. 4462 psi
F.S.I.P. 4328 psi

PENNZOIL
HUDSON FEDERAL "29" NO. 1

DST - January 18, 1968

I.S.I.P. - 4,241 psi
F.S.I.P. - 3,959 psi

BHP January 1, 1968
72 hours - 1439 psi

BHP April 8, 1968
72 hours - 3,495 psi

BHP January 3, 1968
120 hours - 1,519 psi

BHP May 16, 1968
72 hours - 2,429 psi

ECONOMICS FOR 160 ACRE TRACT
SOUTH CORBIN FIELD - WOLFCAMP FORMATION
LEA COUNTY, NEW MEXICO

| | <u>NO. OF WELLS</u> | <u>RECOVERABLE OIL *</u> | <u>NET REVENUE **</u> | <u>DEVEL. COSTS \$200,000 P/WELL</u> | <u>OPER. COSTS 5 YR. LIFE***</u> | <u>TOTAL EXPENSE</u> | <u>NET PROFIT</u> |
|-----------------|-------------------------|------------------------------|---------------------------|--|--------------------------------------|--------------------------|-----------------------|
| 40 Ac. Spacing | 4 | 223,200 Bbls | \$571,400 | \$800,000 | \$100,000 | \$900,000 | (328,600) |
| 80 Ac. Spacing | 2 | 200,900 Bbls | \$514,300 | \$400,000 | \$ 50,000 | \$450,000 | 64,300 |
| 160 Ac. Spacing | 1 | 180,800 Bbls | \$462,800 | \$200,000 | \$ 25,000 | \$225,000 | 273,800 |

* Volumetric calculation based on best available data.

** \$2.56/Bbl. after royalty and taxes.

*** \$5,000/Well per year.