CORE LABORATORIES, INC. Petroleum Reservoir Engineering DALLAS, TEXAS 75207

May 11, 1979

RESERVOIR FLUID DIVISION

Delta Drilling Company Box 2012 Tyler, Texas

Attention: Mr. C.E. Haskett

Subject: Reservoir Fluid Study South Calebra Bluff No. 3 Well Eddy County, New Mexico Our File Number: RFL 79220

Gentlemen:

On March 26, 1979, a representative of Core Laboratories, Inc. was present at the site of the subject well to collect several subsurface samples as instructed by Delta Drilling Company. Presented in this report are the results of the reservoir fluid study that was performed using one of these samples.

The well had been shut in a total of 217 hours prior to collected these subsurface samples. Subsurface sample no. 1 was collected at a depth of 6344 feet while the well was still shut in. The well was then opened to a low flow rate and six additional subsurface samples were collected at various depths in the open hole section of 6344-8000 feet. Upon receiving these samples in our laboratory, bubble point pressures were determined on each sample at laboratory temperature in their respective shipping cylinders and the results of these measurements are shown on page two. Subsurface sample no. 3, collected at depth of 7720 feet, would not exhibit a definite bubble point and is believed to be mostly gas and water or gas, oil and water in this cylinder.

After determining the bubble point pressure of these subsurface samples at laboratory temperature, the results of these measurements were reported to a representative of Delta Drilling Company. We were then requested to perform compositional analysis on the six subsurface samples that exhibited distinct bubble points and to perform a complete reservoir fluid on subsurface no. 1 collected in a static condition at a depth of 6344 feet. The results of these compositions and the resulting reservoir fluid study are shown on pages three through seventeen of the study.