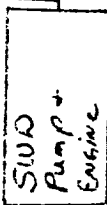




### 5. Feasibility Analysis

Challenge Energy, Inc.

Bedona Federal - NM - 16814  
NW NW, Sec. 18, T. 26 S, R. 30 E



1. Oil Sales by Tank - page 76 Tank Trucks

## 2. Seal Requirements:

Production fees

1. Any value of  $S$  and  $C$  is good
2. If  $S$  is 0, then  $C$  is 0

3. Sales phase (in a SFT-1)

1. Value of  $\frac{d}{dt} \left( \frac{1}{r} \right)$  at  $t = 0$  is  $-\frac{1}{r^2} \frac{dr}{dt}$
2. Value of  $\frac{d}{dt} \left( \frac{1}{r} \right)$  at  $t = \frac{\pi}{2}$  is  $-\frac{1}{r^2} \frac{dr}{dt}$
3. Value of  $\frac{d}{dt} \left( \frac{1}{r} \right)$  at  $t = \pi$  is  $-\frac{1}{r^2} \frac{dr}{dt}$
4. Value of  $\frac{d}{dt} \left( \frac{1}{r} \right)$  at  $t = \frac{3\pi}{2}$  is  $-\frac{1}{r^2} \frac{dr}{dt}$

*[Handwritten signature]*