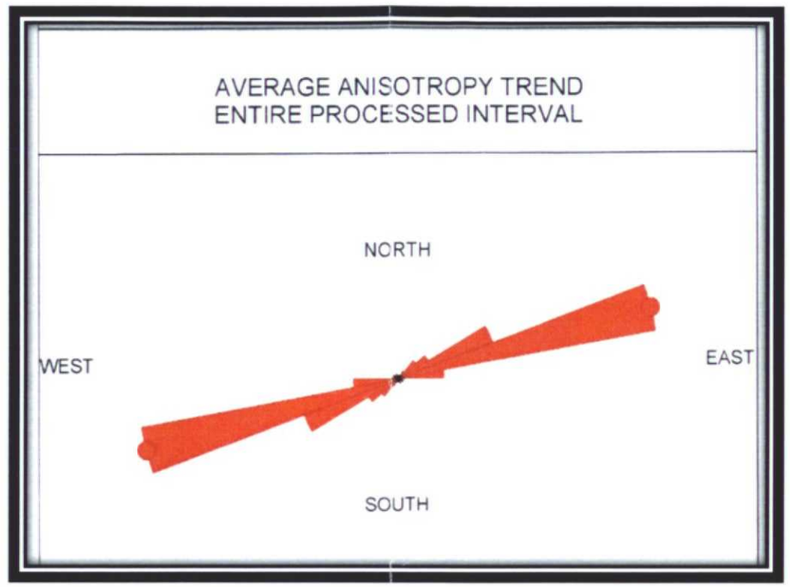
Maximum Principal Stress in the Red Bluff Area

- A dipole sonic log was run in OGX's Red Bluff 57-38 #1H pilot hole (just south of the Littlefield area) in order to determine maximum principal stress orientation for the Wolfcamp Formation
- With a maximum principal stress of N75˚E, the optimal direction for horizontal wellbores is north-south.



Maximum Principal Stress = N75˚E

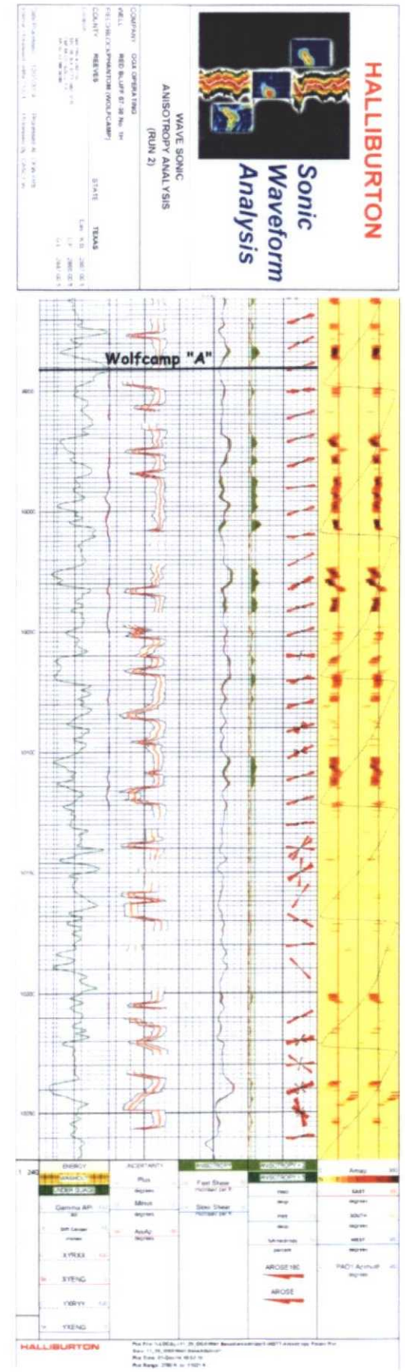


EXHIBIT B