BEN DONEGAN
3224 CANDELARIA NE
ALBUQUERQUE, NEW MEXICO 87107

Phone 505 884-2780
Fax 505 888-2621

April 12, 2004

Attention: Armando Lopez
Bureau of Land Management
2909 West Second Street
Roswell, NM 88202

Attention: Pete Martinez
Oil, Gas and Minerals Division
New Mexico State Land Office
P. O. Box 1148
Santa Fe, NM 87504-1148

Attention: Roy Johnson
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Primero Operating, Inc. No. 1 Dulce Draw State Well, Cat Head Mesa Unit, Socorro County, New Mexico

Gentlemen:

Primero Operating, Inc. has (1) applied for and obtained approval from the New Mexico Oil Conservation Division for the permit to re-enter and test the No. 1 Dulce Draw State well located in the SW4NW4 of Section 2, T. 4 S., R. 9 E., of the Cat Head Mesa Unit, Socorro County and (2) applied for approval from the Socorro Field Office of the Bureau of Land Management for right-of-way access across federal lands to the well site. Pursuant to the BLM requirement for a raptor survey of the area of the proposed ROW, Hawks Aloft, Inc. has reviewed the results of the prior raptor surveys of this area and recommends that Primero delay commencement of operations until after the fledgling period for Ferruginous Hawks in this area, i.e., about July 15, 2004. A copy of the April 9, 2004 letter from Hawks Aloft is enclosed.

Therefore, Primero Operating, Inc. requests your approval of extending the time required for the commencement of operations for the re-entry and testing of the No. 1 Dulce Draw State well to July 15, 2004 pursuant to the 2003 Plan of Further Development and Operation of the Cat Head Mesa Unit.

Very truly yours,

Primero Operating, Inc.

By: Ben Donegan
Ben Donegan, Agent

April 13, 2004

Ben Donegan
Primero Operating, Inc.
3224 Candelaria Road NE
Albuquerque, NM 87107

Dear Ben:

At your request, I have reviewed the results of the Chupadera Play Line Four Raptor Survey, conducted on January 23, 2001. The purpose of the review is to provide Primero Operating, Inc., with recommendations pertinent to current business activities.

During the 2001 survey, Hawks Aloft (HAI) staff documented a single Ferruginous Hawk (*Buteo regalis*) between markers 20204 and 20207. This bird was within a small stand of juniper trees that were suitable nesting substrate, however no nesting materials were present and no courtship behavior was observed. It should be noted; however, that the breeding season for Ferruginous Hawks does not commence until about mid- February in this portion of their breeding range. A follow-up visit was conducted in 2001 by HAI staff and Carlos Madrill, Biologist for the Socorro Field Office of the Bureau of Land Management. During that visit, they documented a pair of nesting Ferruginous Hawks at that location.

The Ferruginous Hawk is the largest North American *Buteo* (Brown and Amadon 1968). Its range is restricted to grasslands and shrub-steppes in the western part of North America where it feeds mainly on mammals common to this habitat (Bechard and Schmutz 1995). Currently, the status of the Ferruginous Hawk is uncertain. The species was listed as a Federal "Category 2 Candidate" species in 1982 by the U.S. Fish and Wildlife Service (USFWS) (U.S. Fish and Wildl. Serv. 1982). Reports of declining numbers of Ferruginous Hawks (Woffinden 1975, Powers and Craig 1976, Murphy 1978, Bechard 1981, Evans 1982, Houston and Bechard 1984, Schmutz 1984, 1987a, 1987b, 1991, Schmutz et al. 1984, Bechard 1986, Moore 1987, Smith 1987, Woffinden and Murphy 1987), led to the filing of a petition in May 1991 with the USFWS requesting the species be listed under the Endangered Species Act (Ure et al. 1991). This petition was rejected but the Ferruginous Hawk, whose numbers were estimated to be between 5,220-6,000 nesting pairs, was kept on the " Category 2 Candidate" species list (U.S. Fish and Wildl. Serv. 1992). The Ferruginous Hawk is currently listed as a "sensitive species" by the Bureau of Land Management (Bechard and Schmutz 1995).

Ferruginous Hawks nest in juniper savanna/grassland habitat and can begin courtship and pre-nesting activities as early as February. Disturbance to a nesting pair, particularly during the earlier stages of the nesting period (courtship and incubation), can cause nest abandonment (Bechard and Schmutz 1995, Hawks Aloft, Inc. 1999).

Because of the extreme sensitivity of this species to human disturbance, particularly during the early portions of the breeding period, we recommend that physical activities at this site be delayed at least until the late fledgling period, after July 15, 2004.
Please contact me for additional details on the citations listed in the above letter, or for further clarification of our recommendation.

Sincerely,

Gail Garber by TJ

Gail Garber
Executive Director

cc: Armando Lopez, BLM Roswell Field Office
Carlos Madrill, BLM Socorro Field Office

HAWKS ALOFT, INC.

POST OFFICE BOX 10028
ALBUQUERQUE, NEW MEXICO 87184
PHONE / 505-828-9455 FAX / 505-828-9769
EMAIL / hawksnm@rt66.com WEBSITE / http://www.rt66.com/~hawksnm

CAT HEAD MESA UNIT
Socorro County, New Mexico

MEETING TO REVIEW PLANS FOR DEVELOPMENT
9:00 a.m., September 3, 2004
New Mexico State Land Office, Room 105
310 Old Santa Fe Trail
Santa Fe, New Mexico

ITEMS PROPOSED FOR DISCUSSION

Dulce Draw State No. 1 well

Summary of test results from July -- August 2004 re-entry.
Plans for further testing and completion.

Cat Head Mesa Unit

Proposed plans for development and production of carbon dioxide and helium while maintaining the Unit and finalizing federal helium rights.

Nomination of selected adjacent state and federal lands for possible leasing and enlargement of the Unit area.

+ OCD Helium regulations — reporting of Helium production → i.e. @ the wellhead vs. tailgate of the plant.

Gary S. Swindell
Petroleum Engineering
4625 Greenville Avenue, Suite 201
Dallas, Texas 75206-5044

fax 214-987-0956
0070

214-987-

August 26, 2004

Mr. Scott Sears
Oklahoma Oil Company
One Energy Square, Suite 717
4925 Greenville Ave
Dallas TX 75206

Re: Pressure Buildup Test – Dulce Draw 1
Socorro Co, NM

Dear Scott:

In August, 2004, a series of pressure tests on the 3062 ft zone was run in the Dulce Draw No. 1, consisting of a 24 hour flow period, followed by a 93 hour pressure buildup test, concluded by a 4 point potential test. You requested that I review the test and this letter summarizes my opinions.

The test procedure was well designed and implemented. The pressure bomb was set on August 18th for 15 minutes while the well remained shut in, flowed for 24.2 hours at a final rate of 972 mcfpd, shut in for a 93 hour pressure buildup period, then opened for the four point test. The significant pressures were as follows:

Initial SIBHP	660.3 psig	
Final flowing pressure	142.5 psig	after 24.2 hours, ending flow 972 mcfpd
Final 93 hour shut in BHP	659.3 psig	
First period FBHP	577 psig	475 mcfpd
2nd period FBHP	479 psig	641 mcfpd
3rd period FBHP	298 psig	562 mcfpd
4th period FBHP	155 psig	917 mcfpd

My analysis of the pressure buildup is as follows:

Permeability	3.1 md
Skin factor	9
Delta P skin	323 psig
Flow efficiency	40% (implies undamaged flow of 2,430 mcfpd)
Damage ratio	2.5
Radius of investigation	400 ft
Area of investigation	11 acres

An evaluation of the four point test gives results that are not consistent with the more reliable pressure buildup and I believe the very high damage is influencing the calculations.

It is clear from the test that the formation is highly damaged by the drilling and completion activities. Removing the damage gives a theoretical flow rate of 2,430 mcfpd. Unfortunately only about 11 acres of the reservoir was evaluated by the length of the tests, but no clear reservoir barriers were seen on the test data. Nor was any significant depletion seen by the production of an estimated 1 MMCF. There was some "humping" in both the flowing and shut in pressure data that suggests water in the wellbore.

Wellbore storage ends within 20 minutes after shut in. And the transient period where permeability and damage is best calculated, begins to be influenced by the flow boundary within an hour of shut in. Its one of those very rare cases where the 10 minute pressure sampling rate of the instrument may be missing some reservoir indicators. A longer flow period would give better resolution to the buildup data.

I believe the reservoir can be further evaluated by a long term reservoir drawdown test followed by another buildup. At a permeability of 3 md, a 13 day flow period should evaluate 40 acres of reservoir. For 80 acres, 26 days are required, and for 160 acres, 52 days. The well should be flowed at a constant flow rate, if possible. The expense of a bottomhole bomb and venting restrictions may prohibit such a test, but it is the only way I know to determine if the reservoir is limited in areal extent.

The following page summarizes the calculation parameters.

I appreciate the opportunity to evaluate this test and ask you to call if there are questions.

Very truly yours,

Gary S. Swindell

CALCULATION PARAMETERS

Perforations	3064-3074
Net Feet	11 ft.
Porosity	12%
Estimated water saturation	20%
Bottomhole Temp	125 deg F
Gas specific gravity	1.073
Gas sample Nitrogen	69.48 mole%
Gas sample CO2	25.42 mole %
Gas sample methane	2.03 mole %
Gas sample Helium	3.03 mole %
Total compressibility Ct	.001267 1/psi
Gas compr	.001577 1/psi
Fm compr	.0000045 1/psi
Z factor at 660 psig	.95415
Gas viscosity at 660 psig	.0122 Cp
Formation volume factor Bg	43.02 SCF/RCF

The N2 and CO2 may exceed the limits of the equation of state for hydrocarbon gasses that I am using. I am going to try to find an EOS that is for non-hydrocarbon gasses.

Final flow rate	972 mcfpd
Estimated production volume	980 mcf
Flowing period	24.2 hr.
Final flowing BHP	142.5 psig
Initial WHSIP	590 psig
Initial Static BHP(m)	660.3 psig
Final SI BHP	659.3 psig
Permeability	3.1 md
Kh	33.98 md-ft
Slope Horner	322.9 psi/cycle
Skin	8.94
J actual	1.0827 MCF/d-psi
J ideal	4.4961 MCF/d-psi
Flow Efficiency	40%
Damage ratio	2.49
Radius of investigation	396 ft.
Area of investigation	11 ac
P at delta T 1 hr	645 psig
P-star	681.7 psig

CAT HEAD MESA UNIT
Socorro County, New Mexico

MEETING TO REVIEW PLANS FOR DEVELOPMENT
9:00 A.M., September 3, 2004
New Mexico State Land Office, Room 105
310 Old Santa Fe Trail
Santa Fe, New Mexico

ITEMS PROPOSED FOR DISCUSSION

Dulce Draw State No. 1 well

Summary of test results from July – August 2004 re-entry.
Plans for further testing and completion.

Cat Head Mesa Unit

Proposed plans for development and production of carbon dioxide and helium while maintaining the Unit and finalizing federal helium rights.

Nomination of selected adjacent state and federal lands for possible leasing and enlargement of the Unit area.

CAT HEAD MESA UNIT
Socorro County, New Mexico

MEETING TO REVIEW PLANS FOR DEVELOPMENT
9:00 a.m., September 3, 2004
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Nomination of selected adjacent state and federal lands for possible leasing and enlargement of the Unit area.

PRIMERO
OPERATING, INC.
POST OFFICE BOX 1433
ROSWELL, NEW MEXICO 88202
(505) 622-1001 FAX (505) 625-0227

September 2, 2004

Cathead Mesa Unit Meeting in Santa Fe, NM, September 3, 2004

Summary of Recent Operations

The Dulce Draw #1 well was successfully re-entered and the primary cement job was repaired and proved adequate for the production tests performed on the well. All potential zones were perforated the same day and the various zones were tested for both deliverability and gas chemistry using packers and retrievable plugs,. The results of these tests were as follows:

Zone:	Mcf/day	Bbls Fluid	Gas Comp
3194-3206	0	480 bpd	Unk. – no gas cut
3156-3166	793 on ¾"	144 bpd	CO2 95%, He 0.19%
2715-2721 2750-2760	Good Blow	Lots	CO2 41.41%, He 1.74%
3064-3074	1,300 on ¾"	<20 bpd	CO2 25.42, He 3.03 – 3.5+

There is still one zone which remains to be tested individually; it is the top 5' zone from 2620 to 2625'. This zone was tested along with the other zones at 2715 and 2750 initially but not by itself.

The estimated cost for this operation so far is $157,422, The AFE amount through completion was $161,836.

It would be advisable to re-test the zone at 3156-3166' by isolating it with a RBP and Packer. This zone should be flowed for several days in order to determine if the water will diminish.

Bottom Hole Flow Pressures and Buildup

The zone from 3064' to 3074' was tested using bottom hole pressure recorders. First, the well was flowed for 24 hours at a rate just under 1,000 mcfd, the well was then shut in for a 4 day buildup. Results of this test indicate that the reservoir has high permeability with heavy skin damage. It is estimated that with no skin, the well should be able to deliver more than 2,000 mcfd.

Future Proposed Operations

Before placing the well in production status Primero Operating, Inc. will conduct a production test on the sand from 2620' to 2625' and will possibly conduct an extended flow test of the zone from 3064 to 3074'

Before leaving the well shut in for an extended period of time and for purposes of production, cast iron bridge plugs will be set at 3181' and 3100' in order to isolate the water at 3194' from the CO2 and water at 3156 and the "helium zone" at 3064'. Secondly a production packer will be set at 3010' and fiberglass tubing run to surface in order to protect the well bore from C02 corrosion.

Future Drilling

Before long, the drilling of a new well on the unit will be required. I have estimated the costs of drilling a new well based on the following assumptions:

8 5/8"Surface Pipe at 1320'
12 days of rig time on day work contract
$30,000 mobilization
4 ½" Fiberglass Casing
Single completion (all zones completed at one time)

The estimated drilling and completion cost for the second well is $416,943. If a completion attempt is not made on the well and it is Plugged, the estimated Dry hole cost is $281,388.

Processing Plant

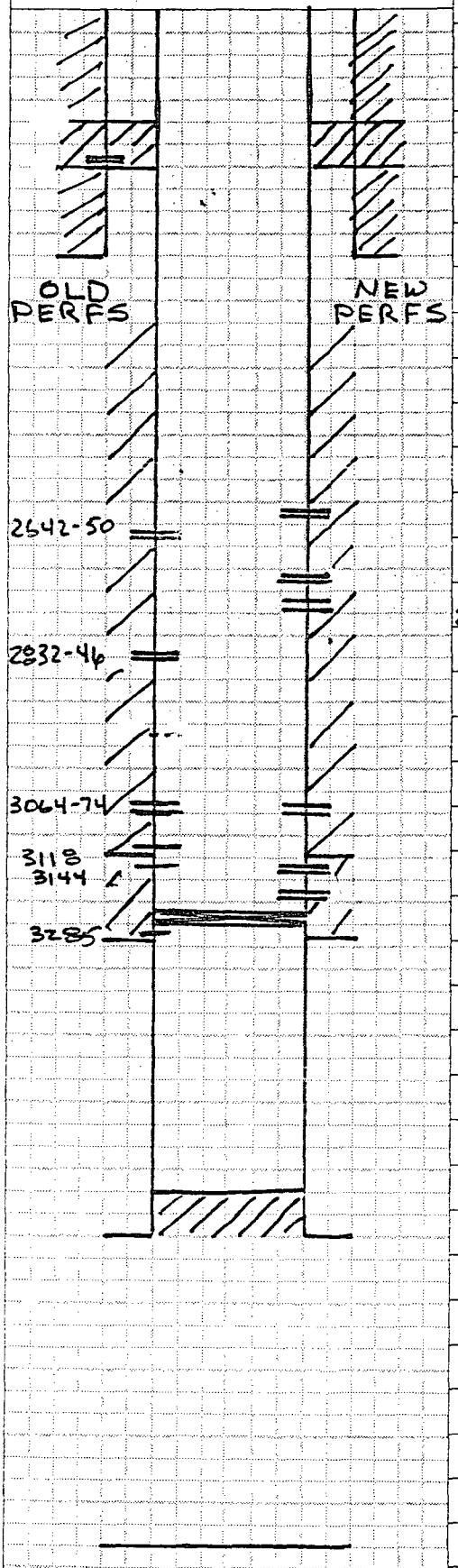
At this time, production rates do not justify the construction of a Helium plant. The estimated cost of a plant is $2,000,000 and the rates needed to justify the plant would be around 3,000 mcfd. One more well which could deliver the same amount of helium as the Dulce Draw well would justify the building of a plant, which is estimated to take 6 months to construct

Weatherford
Completion & Oilfield Services
2117 N. French Dr.
Hobbs, NM 88241

COMPANY	PREPARED FOR	TELEPHONE	DATE
			7-19-04

WELL NAME	FIELD NAME	COUNTY	STATE	☐ NEW ☐ COMPLETION ☐ WORKOVER
Dulce Draw #1		Socorro	NM	

	SIZE	WEIGHT	GRADE	THREAD	DEPTH
CASING					
LINER					
TUBING					



DESCRIPTION	I.D.	O.D.	LENGTH	DEPTH
SQUEEZE HOLES @ 1283				
13 3/8 @ 1326'				
2620-25				
2715-2721				
2750-2760				
3064-3074				
BOTTOM OLD CMT @ 3132				
3156-3166				
3194-3206				
CMT RETAINER PBTD @ 3248				
FLOAT @ 3446				
9 5/8" 36# @ 3457				

Packer Type:

No. of Joints in Well:

Compression on Packer:

Smallest I.D. in Wellbore

Annulus Treated: Tested to:

Perforations:

T.D. 4030 P.B.T.D.

PREPARED BY	OFFICE	FAX
	At (Hobbs) 505-393-1717	505-393-1244

Zone 5

Report of Analysis

F.S.: 21338 M.S.: 0 API: 3005320014

STATE: NEW MEXICO COUNTY: SOCORRO

WELL NAME: DULCE DRAW STATE NO. 1

OWNER: PRIMERO OPERATING, INC.

FIELD: WILDCAT

LOCATION: SEC 2, T4S, R9E

SPOT: 1980 FNL, 660 FWL

DATE SAMPLED: 040807 DATE COMPLETED: 010808

SAMPLED BY: WHEELER SEARS ELEVATION, FT: 4,037 GL

PRODUCING FORMATION: PERM - ABO

TRUE VERTICAL DEPTH (FT):	3,074.00	THICKNESS IN FEET:	10	LATITUDE:	33.99273
MEASURED DEPTH (FT):		OPEN FLOW, MCF/D:		LONGITUDE:	-105.97452

SHUT IN WELLHEAD PRES., PSIG: 100

CHECK OF DATA - THE WELL DATA ARE ACCURATE,
(____) WITHOUT CORRECTION, (____) AS CORRECTED ABOVE.

REMARKS

ANALYSIS:

METHANE	1.89	%	NORMAL PENTANE	0.00	%	OXYGEN	0.00	%
ETHANE	0.04	%	ISOPENTANE	0.00	%	ARGON	0.26	%
PROPANE	0.00	%	CYCLOPENTANE	---	%	HYDROGEN	0.00	%
NORMAL BUTANE	0.00	%	HEXANES PLUS	0.00	%	H2S *	0.00	%
ISOBUTANE	0.00	%	NITROGEN	68.17	%	CO2	26.54	%
SPECIFIC GRAV.:	1.081					HELIUM	3.10	%
TRACE DENOTES COMPONENTS < 0.005%						TOTAL	100.00	%

CALCULATED GROSS BTU/CU. FT., DRY AT 60 DEG. F AND 30 IN MERCURY: 20

* DUE TO THE ABSORPTION OF H2S DURING SAMPLING, THE REPORTED RESULTS MAY NOT BE RELIABLE.

PERMISSION FOR RELEASE:
PERMISSION IS HEREBY GRANTED FOR THE BUREAU OF LAND MANAGEMENT TO RELEASE THE ABOVE DATA, TOGETHER WITH SIMILAR DATA RELEASED BY OTHER OPERATORS AS PUBLIC INFORMATION AND PARTS OF A SERIES OF PAPERS ON ANALYSES OF GASES FROM VARIOUS FIELDS, STATES, OR REGIONS.

COMPANY _____

BY _____

TITLE _____

888-2621

Zone 5

2030 AFTON PLACE
FARMINGTON, NM 87401
(505) 325-6622

ANALYSIS NO.: Pt240001
CUST. NO.: 64500-10005

WELL/LEASE INFORMATION

COMPANY	PRIMERO OPERATING, INC.	SOURCE	
WELL NAME	DULCE DRAW #1	PRESSURE	100 PSIG
COUNTY/STATE	SOCORRO, NM	SAMPLE TEMP	N/A DEG.F
LOCATION		WELL FLOWING	Y
FORMATION		DATE SAMPLED	8/7/04
CUST.STN.NO.		SAMPLED BY	WHEELER SEARS

REMARKS:

FRACTIONAL ANALYSIS

COMPONENT	MOL %
HELIUM	3.6921
HYDROGEN	0.0006
OXYGEN	0.0003
NITROGEN	70.0938
CARBON DIOXIDE	24.2935
METHANE	1.9638
ETHANE	0.0398
PROPANE	0.0043
I-BUTANE	0.0037
N-BUTANE	0.0011
I-PENTANE	0.0057
N-PENTANE	0.0003
C6 +	0.0010
TOTAL	100.0000

BTU/CU. FT. @ 60 DEG.F AND 14.730 PSIA	20.82
SPECIFIC GRAVITY @ 60 DEG.F	1.0943

CYLINDER NO.	048A
CYLINDER PRESSURE	100
DATE RUN	8/17/04
LAB TECH	CHELLE DURBIN

Zone 5

ZONE 3 from bottom

MOBILE ANALYTICAL LABORATORIES, INC.
P.O. BOX 69210
ODESSA, TEXAS 79769
PHONE (432) 337-4744

5471

ANALYSIS REPORT DATE: 08/09/04

Company..... INTER-AMERICAN CORP.
Lease/Plant.. DULCE DRAW #1
Field.....
County/State.
Operator.....
Cylinder No..
H2S (ppm)....

District.....
Station.....
Sample..... GAS
Sample Pr/Temp 100 Psig
Line Pr/Temp..
Date Sampled.. 08/07/04
Sampled By....

FRACTIONAL ANALYSIS

COMPONENT	MOL %	GPM C2+	GPM C5+
NITROGEN.....	69.48	0.000	0.000
CARBON DIOXIDE	25.42	0.000	0.000
METHANE.....	2.03	0.000	0.000
ETHANE.....	0.04	0.011	0.000
PROPANE.....	0.00	0.000	0.000
ISO-BUTANE....	0.00	0.000	0.000
N-BUTANE.....	0.00	0.000	0.000
ISO-PENTANE...	0.00	0.000	0.000
N-PENTANE.....	0.00	0.000	0.000
HEXANES +.....	0.00	0.000	0.000
HELIUM.....	3.03	0.000	0.000
TOTALS	100.00	0.011	0.000

CALC. SP. GRAVITY 1.073

BTU/CU. FT. (14.65 PSIA, 60 DEG. F)

CALC. GROSS WET 21
CALC. GROSS DRY 21

DISTRIBUTION :

MR. WHEELER SEARS

NOTES :

PERF 3064-74
AFTER 3 HOURS

Zone 5

Radiation Safety Engineering, Inc.
3245 N. WASHINGTON ST. · CHANDLER, ARIZONA 85225-1121 (480) 897-9459
Website: www.radsafe.com FAX (480) 892-5446

Radiochemical Activity in Air (pCi/L)

Primero Operating, Inc.
P.O. Box 1433
Roswell, NM 88202-1433

Sample Received: August 20, 2004
Analysis Completed: August 23, 2004

Sample ID	Radon Activity Method 903.1 (pCi/L)
Dulce Draw #1 Zones 3064-3074	10.4 ± 1.0

Robert L. Metzger, Ph.D., C.H.P.

Zones 3 & 4

~~Zones~~ Zones 4-7 from Sutton

MOBILE ANALYTICAL LABORATORIES, INC.
P.O. BOX 69210
ODESSA, TEXAS 79769
PHONE (432) 337-4744

5470

ANALYSIS REPORT DATE: 08/09/04

Company..... INTER-AMERICAN CORP.
Lease/Plant.. DULCE DRAW #1
Field.....
County/State.
Operator.....
Cylinder No..
H2S (ppm)....

District.....
Station.....
Sample..... GAS
Sample Pr/Temp 200 Psig
Line Pr/Temp..
Date Sampled.. 08/06/04
Sampled By....

FRACTIONAL ANALYSIS

COMPONENT	MOL %	GPM C2+	GPM C5+
NITROGEN.....	54.31	0.000	0.000
CARBON DIOXIDE	43.04	0.000	0.000
METHANE.....	0.94	0.000	0.000
ETHANE.....	0.00	0.000	0.000
PROPANE.....	0.00	0.000	0.000
ISO-BUTANE....	0.00	0.000	0.000
N-BUTANE.....	0.00	0.000	0.000
ISO-PENTANE...	0.00	0.000	0.000
N-PENTANE.....	0.00	0.000	0.000
HEXANES +.....	0.00	0.000	0.000
HELIUM.....	1.71	0.000	0.000
TOTALS	100.00	0.000	0.000

CALC. SP. GRAVITY 1.187

BTU/CU. FT. (14.65 PSIA, 60 DEG. F)

CALC. GROSS WET 9
CALC. GROSS DRY 9

DISTRIBUTION :

MR. WHEELER SEARS

NOTES :

2 PERFS 2715, 2760
9:40 A.M.

Zone 6

ZONE 2

MOBILE ANALYTICAL LABORATORIES, INC.
P.O. BOX 69210
ODESSA, TEXAS 79769
PHONE (432) 337-4744

5467

ANALYSIS REPORT

DATE: 08/05/04

Company...... INTER-AMERICAN CORP.
Lease/Plant.. SAMPLE 1
Field........
County/State.
Operator.....
Cylinder No..
H2S (ppm)....

District......
Station.......
Sample........ GAS
Sample Pr/Temp
Line Pr/Temp..
Date Sampled.. 08/03/04
Sampled By....

FRACTIONAL ANALYSIS

COMPONENT	MOL %	GPM C2+	GPM C5+
NITROGEN......	4.60	0.000	0.000
CARBON DIOXIDE	95.09	0.000	0.000
METHANE.......	0.12	0.000	0.000
ETHANE........	0.00	0.000	0.000
PROPANE.......	0.00	0.000	0.000
ISO-BUTANE....	0.00	0.000	0.000
N-BUTANE......	0.00	0.000	0.000
ISO-PENTANE...	0.00	0.000	0.000
N-PENTANE.....	0.00	0.000	0.000
HEXANES +.....	0.00	0.000	0.000
HELIUM........	0.19	0.000	0.000
TOTALS	100.00	0.000	0.000

CALC. SP. GRAVITY 1.497

BTU/CU. FT. (14.65 PSIA, 60 DEG. F)

CALC. GROSS WET 1
CALC. GROSS DRY 1

DISTRIBUTION :

MR. WHEELER SEARS

NOTES :

6:30 P.M.

Zone 6

Zone 2 from Bottom

MOBILE ANALYTICAL LABORATORIES, INC.
P.O. BOX 69210
ODESSA, TEXAS 79769
PHONE (432) 337-4744

5468

ANALYSIS REPORT DATE: 08/05/04

Company..... INTER-AMERICAN CORP.
Lease/Plant.. SAMPLE 2
Field.....
County/State.
Operator.....
Cylinder No..
H2S (ppm)....

District.....
Station.....
Sample..... GAS
Sample Pr/Temp 70 Psig
Line Pr/Temp..
Date Sampled.. 08/04/04
Sampled By....

FRACTIONAL ANALYSIS

COMPONENT	MOL %	GPM C2+	GPM C5+
NITROGEN.....	4.56	0.000	0.000
CARBON DIOXIDE	95.13	0.000	0.000
METHANE.....	0.12	0.000	0.000
ETHANE.....	0.00	0.000	0.000
PROPANE.....	0.00	0.000	0.000
ISO-BUTANE....	0.00	0.000	0.000
N-BUTANE.....	0.00	0.000	0.000
ISO-PENTANE...	0.00	0.000	0.000
N-PENTANE.....	0.00	0.000	0.000
HEXANES +.....	0.00	0.000	0.000
HELIUM.....	0.19	0.000	0.000
TOTALS	100.00	0.000	0.000

CALC. SP. GRAVITY 1.498

BTU/CU. FT. (14.65 PSIA, 60 DEG. F)

CALC. GROSS WET 1
CALC. GROSS DRY 1

DISTRIBUTION :

MR. WHEELER SEARS

NOTES :

10:00 A.M.

Zones 3 & 4

Zones 4-7 from bottom

MOBILE ANALYTICAL LABORATORIES, INC.
P.O. BOX 69210
ODESSA, TEXAS 79769
PHONE (432) 337-4744

5469

ANALYSIS REPORT DATE: 08/06/04

Company..... INTER-AMERICAN CORP.
Lease/Plant.. DULCE DRAW #1
Field.....
County/State.
Operator.....
Cylinder No..
H2S (ppm)....

District.....
Station.....
Sample..... GAS
Sample Pr/Temp
Line Pr/Temp..
Date Sampled.. 08/04/04
Sampled By....

FRACTIONAL ANALYSIS

COMPONENT	MOL %	GPM C2+	GPM C5+
NITROGEN.....	56.02	0.000	0.000
CARBON DIOXIDE	41.41	0.000	0.000
METHANE.....	0.83	0.000	0.000
ETHANE.....	0.00	0.000	0.000
PROPANE.....	0.00	0.000	0.000
ISO-BUTANE....	0.00	0.000	0.000
N-BUTANE.....	0.00	0.000	0.000
ISO-PENTANE...	0.00	0.000	0.000
N-PENTANE.....	0.00	0.000	0.000
HEXANES +.....	0.00	0.000	0.000
HELIUM.....	1.74	0.000	0.000
TOTALS	100.00	0.000	0.000

CALC. SP. GRAVITY 1.179

BTU/CU. FT. (14.65 PSIA, 60 DEG. F)

CALC. GROSS WET 8
CALC. GROSS DRY 8

DISTRIBUTION :

MR. WHEELER SEARS

NOTES :

UPPER 3 PERF. SETS
4:00 P.M.