

PAUL BACA PROFESSIONAL COURT REPORTERS

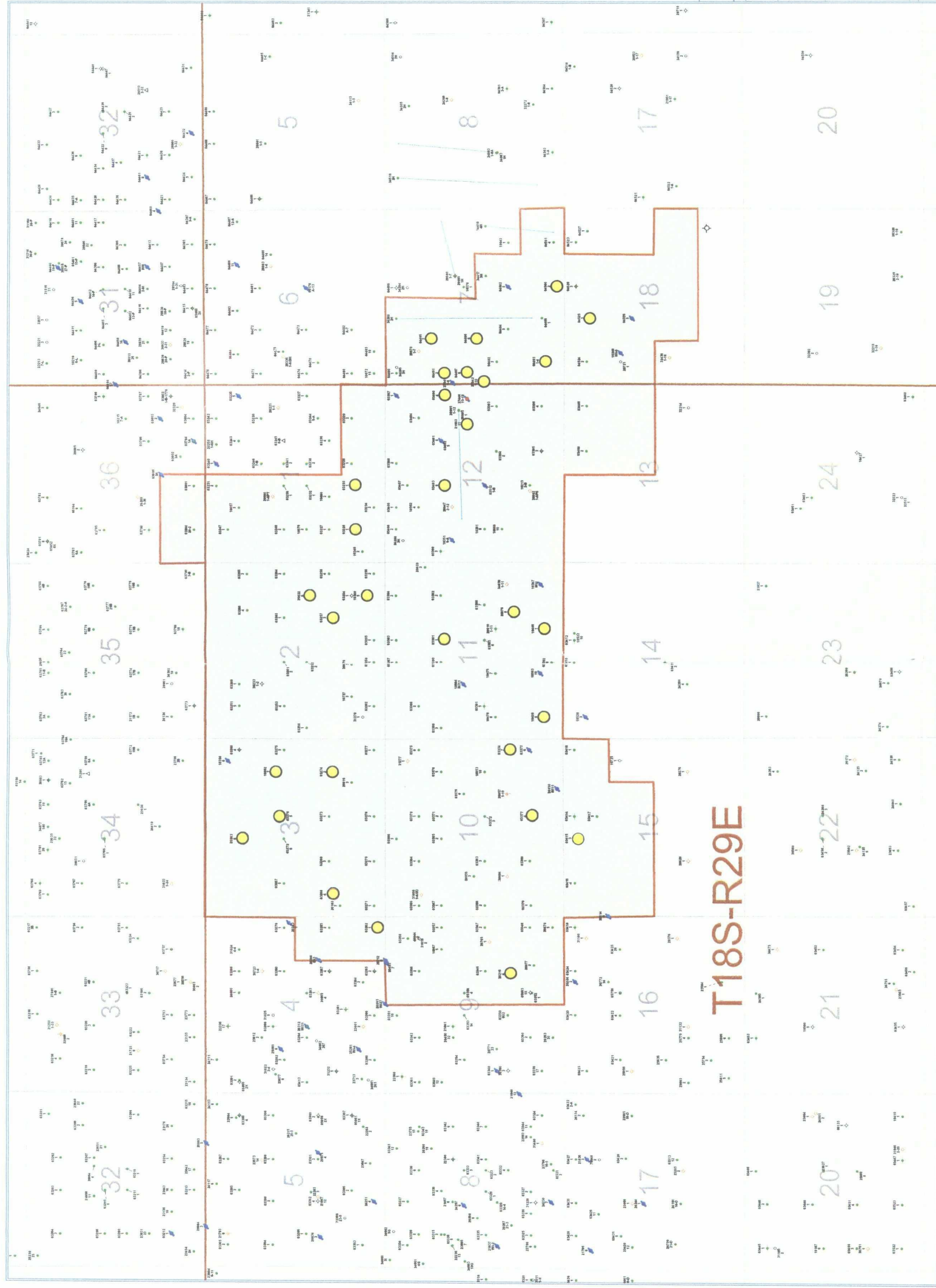
OIL CONSERVATION DIVISION

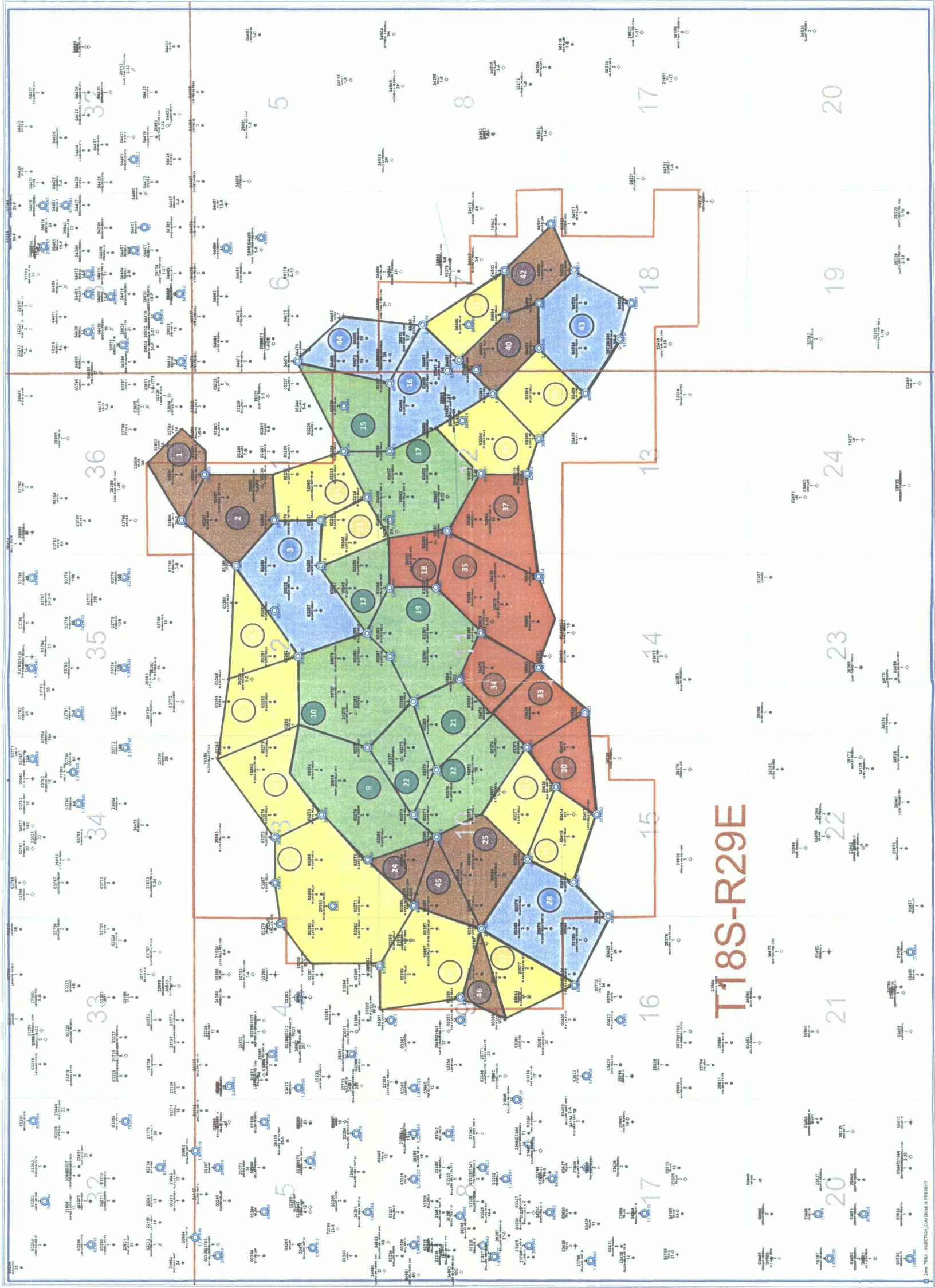
EXHIBIT 18

West Loco Hills Unit Agenda

1. Map of Active Wells
2. Core Data Plot
3. Core Data Table
4. Reservoir Data Sheet
5. Historical Production Curve
6. OOIP Calculations
7. Historical Flood Pattern Map
8. Ultimate Proposed Pattern
9. Phase One Development Map (From Cary)
10. Expected Total production curve
11. Economic and Capital Summary

Oil Conservation Division
Case No. _____
Exhibit No. 18





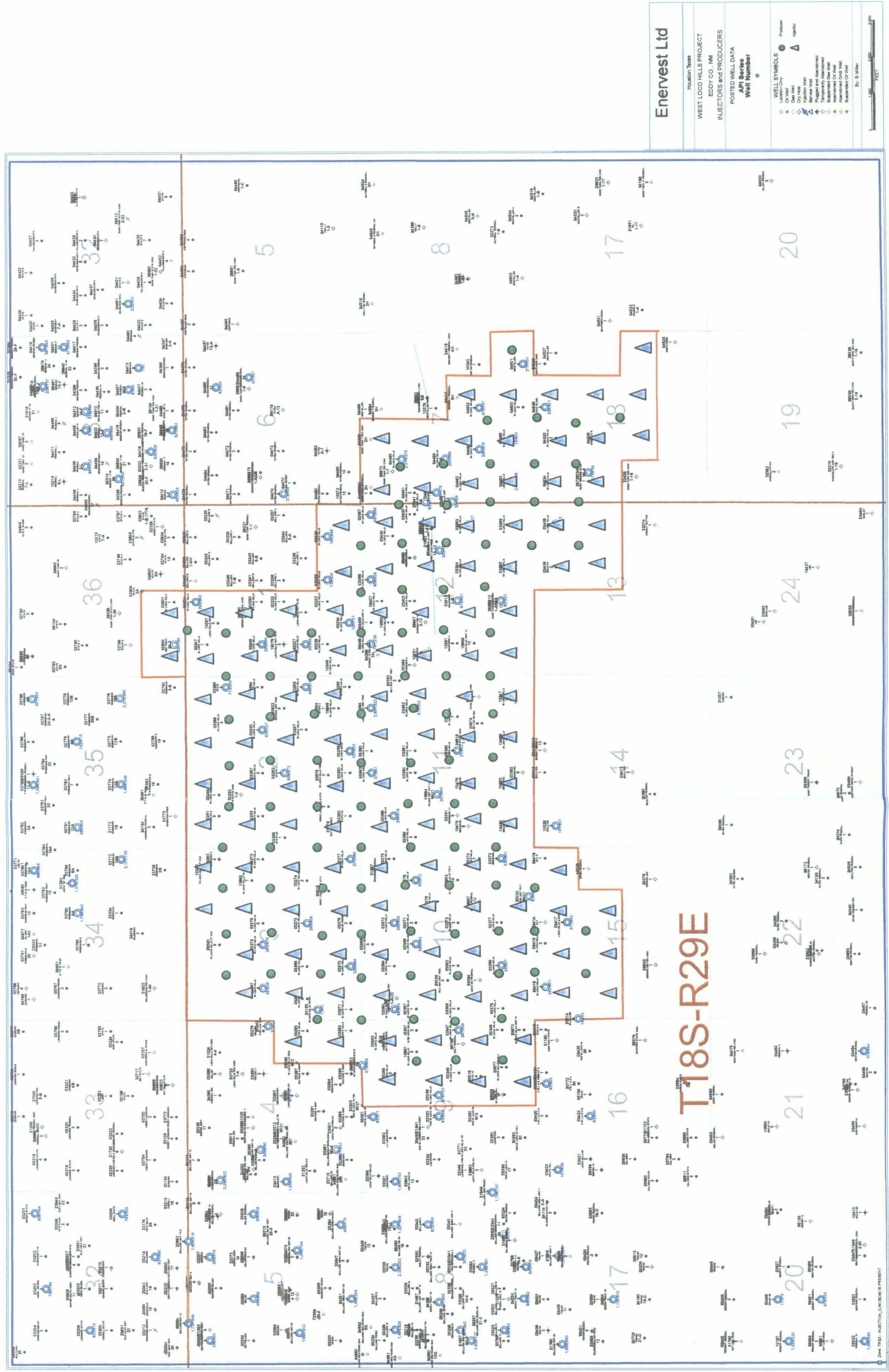
- >65% OIP
- 45-60% OIP
- 30-45% OIP
- 15-30% OIP
- <15% OIP

ENERVEST LTD
Houston Texas

WEST LOCO HILL PROJECT
4-A MAP MAP
EDDY COUNTY, NEW MEXICO
POSTED WELL DATA
WELL NUMBER
▲ Injectors
● Producers

- WELL SYMBOLS
- Location Only
 - Oil Well
 - Dry Hole
 - Gas Well
 - Injected Well
 - Plugged and Abandoned
 - Abandoned Oil Well



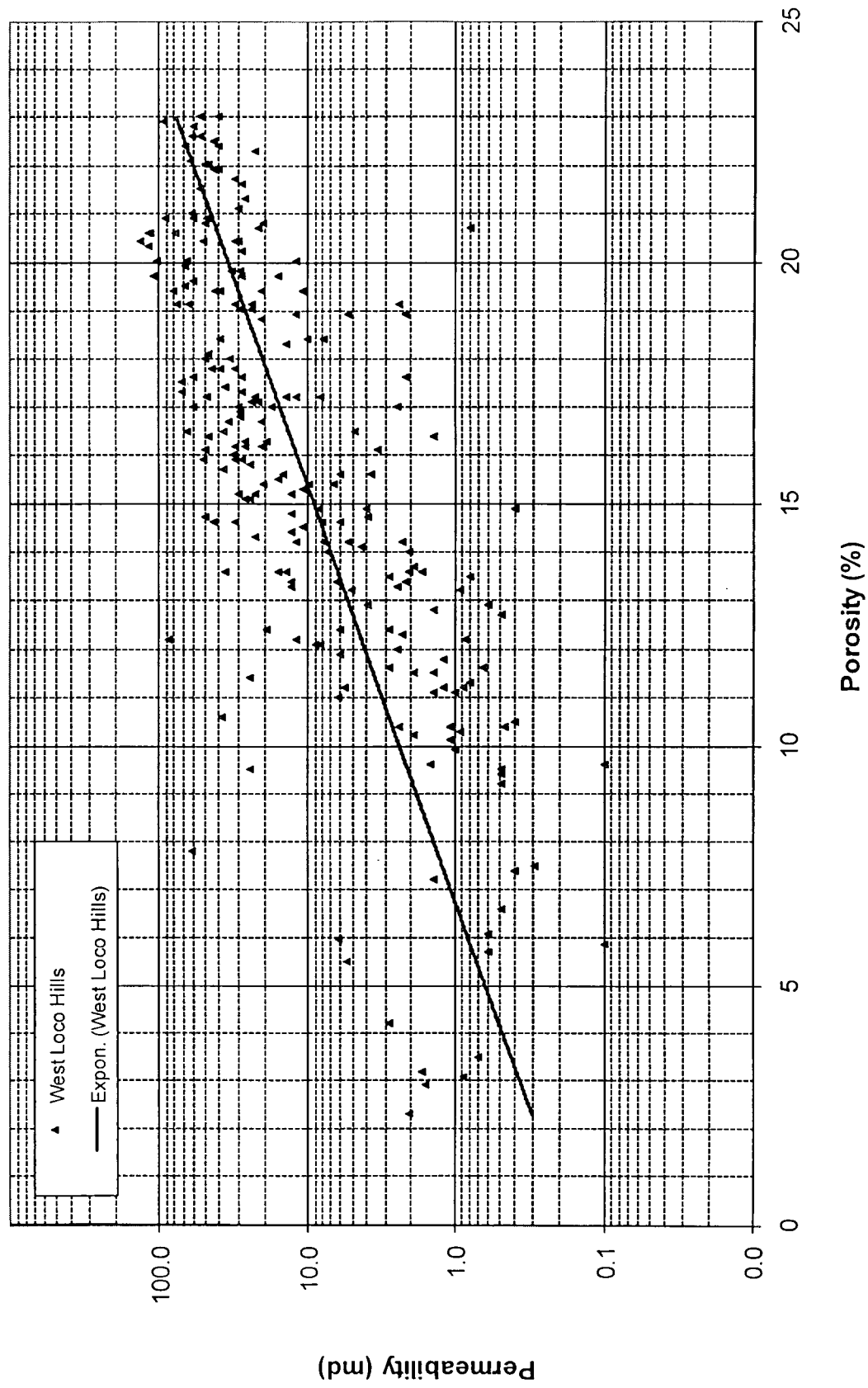


West Loco Hills Unit

Permeability/Porosity Plot

ENERVEST LTD

$$y = 0.168e^{0.267x}$$
$$R^2 = 0.549$$



CORE DATA COMPARISON

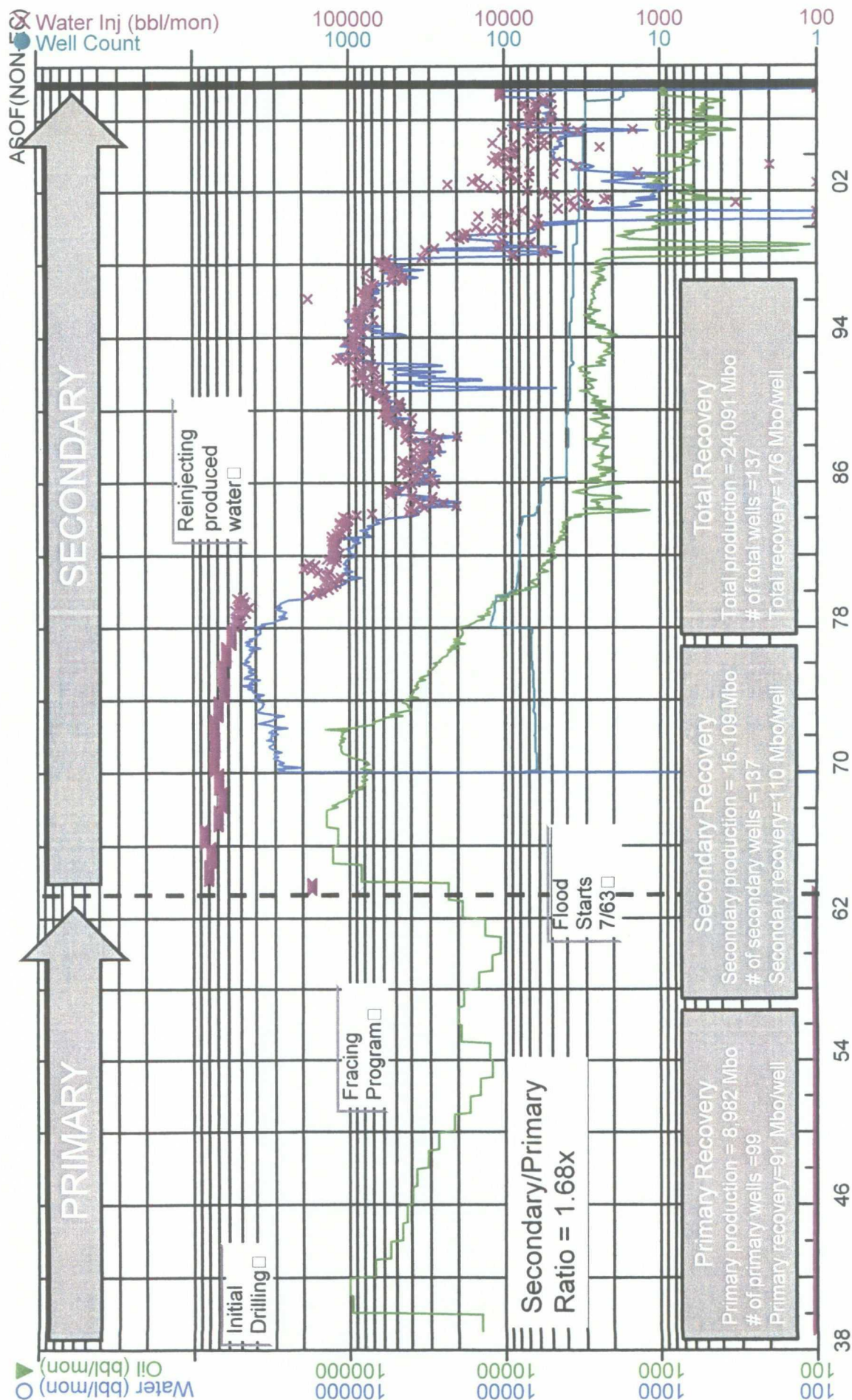
Well	Location	Ht	KH	K Avg.	PorH	Por Avg	Kvar	Kmean
8A-3	2600 FN & 1200 FW, Sec 10, T-18S, R-29E	15	544	36.3	2.727	0.18	0.97	19.3
10A-7	1330 FS & 330 FW, Sec 3, T-18S, R-29E	13	535.7	41.2	2.501	0.19	0.84	34.7
11-9	660 FS & 660 FW, Sec 11, T-18S, R-29E	24	480.4	20.0	3.106	0.13	0.82	9.5
11-10	660 FS & 1980 FW, Sec 11, T-18S, R-29E	30	826.5	27.6	4.222	0.14	0.62	20.1
13-8	2310 FS & 990 FW, Sec 12, T-18S, R-29E	24	311.1	13.0	3.407	0.14	0.83	6.0
12-4	1650 FS & 1750 FE, Sec 9, T-18S, R-29E	15	392.7	26.2	2.825	0.19	0.97	15.9
17-9	2310 FN & 1650 FE, Sec 10, T-18S, R-29E	18	472.3	26.2	3.332	0.19	0.88	18.8
13-9	1980 FN & 660 FW, Sec 12, T-18S, R-29E	31	1236	39.9	4.879	0.16	0.85	19.1
19B-5	1650 FN & 990 FE, Sec 9, T-18S, R-29E	16	240.3	15.0	2.849	0.18	0.59	10.7
21B-6	1650 FNL & 933 FW, Sec 18, T-18S, R-30E	6	15.8	2.6	0.749	0.12	0.49	2.6
30-1	660 FS & 1980 FE, Sec 11, T-18S, R-29E	24	412.4	17.2	2.866	0.12	0.90	6.7
43-3	1980 FS & 1310 FE, Sec 4, T-18S, R29E	9	76.5	8.5	1.458	0.16	0.83	4.2
AVG.		18.75		22.8		0.16	0.80	13.97

Reservoir Description

West Loco Hills Unit

<u>Property</u>	<u>Average Data</u>	
Initial Reservoir Pressure – psig	1000	
Bubble Point	900	
At Waterflood Initiation	100-200	
Gravity of Oil	36-39° API	
Type of Crude	Paraffin Base Sweet Crude	
Initial Gas Solubility, R	470 SCF/STB	
H ₂ S Content of Produced Gas	600 Grains/100 cf	
Formation Volume Initial Oil - B _o (based on 1944 Sheldon Lab results)	1.268	
Formation Volume Bubble Point Oil	1.27	
Formation Volume Waterflood Oil	1.00	
Depth, feet	2665	
Unit area, acres	5307	
Average thickness, feet (0>8%) Flooded Area	22.7'	
Average porosity	16.3%	
Original Oil Saturation	77.8%	
Original Water Saturation	22.2%	
Average Permeability, md	23	
Permeability Maximum	134	
Permeability Minimum	0.5	
Reservoir Temperature °F	82	
RESERVES AND RECOVERY	MMSTB	%OOIP
Original Oil in Place, Entire Unit	89,865	100
Primary EUR	8,980	10.0
Secondary recovery, as of 1/1/08 EUR	15,109	16.8
Combined primary plus secondary EUR	24,089	26.8
Additional Redevelopment Reserves	9,805	10.9
Total Recovery	33,894	37.7
Current Secondary to primary ratio	1.68	
Cum. Water injected, MMSTB	148.5 MMSTB	
Cum. Water Produced, MMSTB	56.2 MMSTB	

Field: Loco Hills
County, State: Eddy, NM



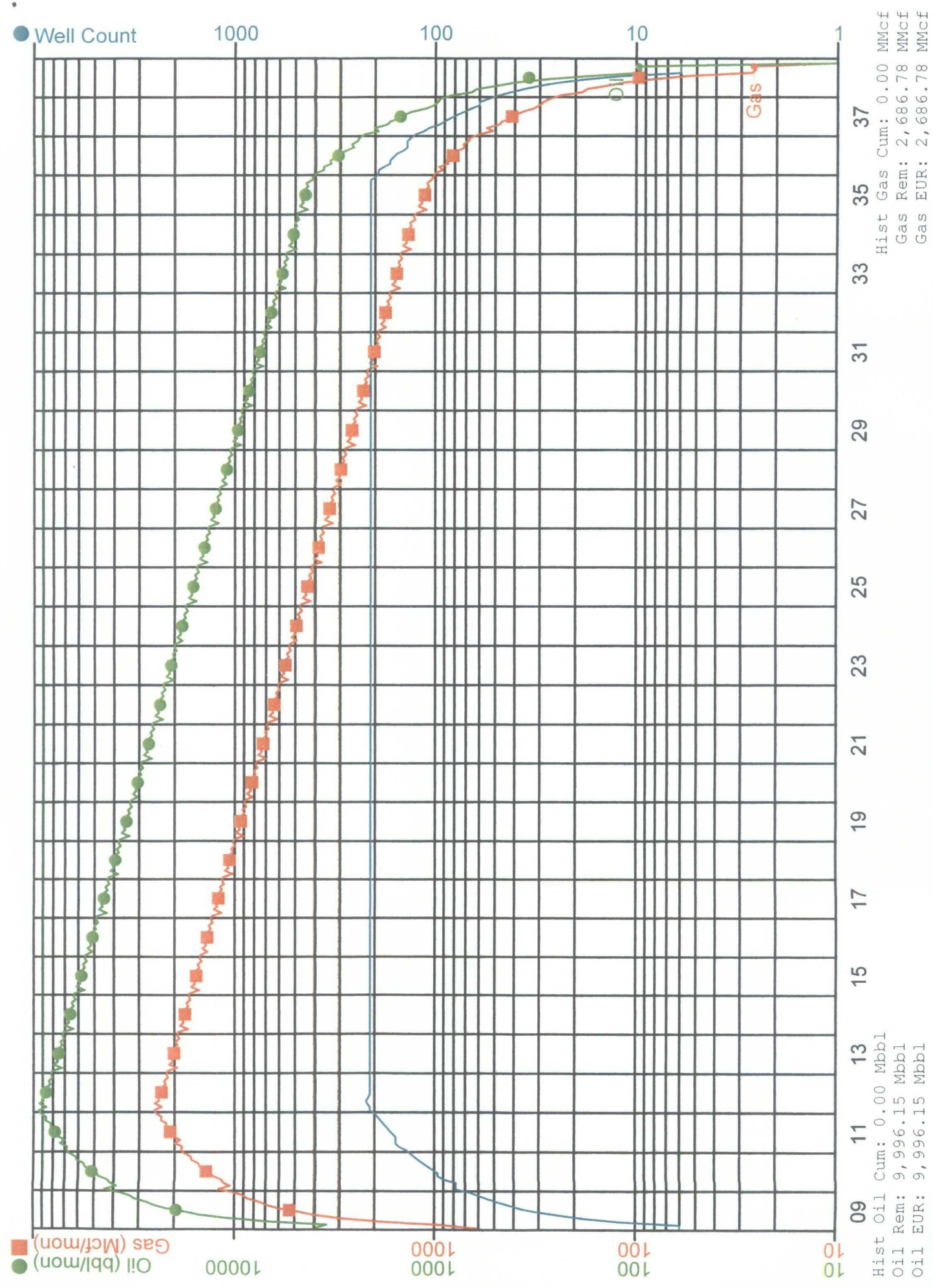
Original-Oil-In-Place Summary

Basis Reservoir & Fluid Characteristics			
Reservoir Temperature	82	°F	
Reservoir Pressure	1,000	psia	
Oil Gravity	37.5	°API	
Solution GOR	= 470	cf/bbl	

Oil per Acre-Foot			
Unit Oil (Bo/AF)	=	7,758 x Porosity x (1-Water Sat) / Boi	
Porosity	16.3%	(cutoff of 8% - detailed Kumar Reservoir Study & Lee Engineering core data analysis)	
Water Saturation	22.2%	(whole cores taken - Core Lab data)	
Boi	1.268	(actual - PVT analysis)	
► Unit Oil (Bo/AF)	=	775.9	

Net Rock Volume in Area & Thickness			
Acres	5,307	(total acreage in unit)	
Average Pay Thickness	21.8	(from Lee Engineering Isopach map)	
Acre-Feet (AF)	= 115,822	(from Lee Engineering Isopach map)	

Original Oil-In-Place (Mbbbls)	
OOIP = 89,865	



Hist Oil Cum: 0.00 Mbbl
Oil Rem: 9,996.15 Mbbl
Oil EUR: 9,996.15 Mbbl

Hist Gas Cum: 0.00 MMcf
Gas Rem: 2,686.78 MMcf
Gas EUR: 2,686.78 MMcf

WEST LOCO HILLS ECONOMIC DATA

Number of Producing wells	Phase One	Full Development
Number of Injection wells	7	102
Capital Cost of Additional Facilities, M\$	16	131
Estimated Total Project Cost, M\$	3000	5040
Incremental Reserves MBO	10665	85115
Estimated value of Incremental Production, M\$	970	9805
Type of Fluid injected	15545	225000
Expected Injection Volumes	Produced Water	Produced Water
	200 BWPD/Well	200 BWPD/Well