

Underpressured Fruitland Coal Pilot Infill Study

Engineering Exhibits

Burlington Resources

Dr. Chris Clarkson

Senior Engineer

Outline

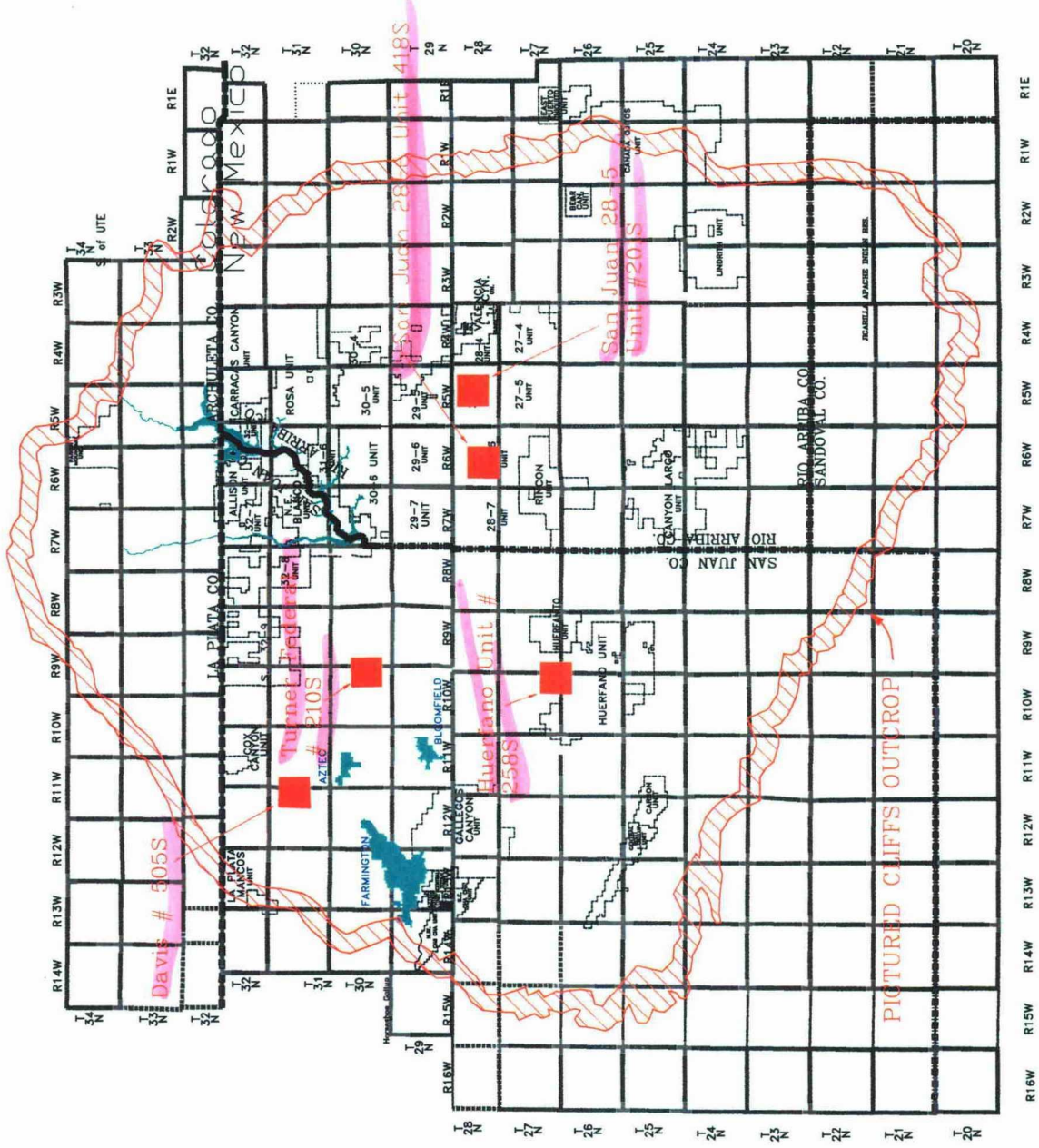
- Summary
- Overview of pilot well testing program
- Pilot well testing/simulation/economic results
 - 1) Huerfano Unit #258S pilot well
 - 2) Davis #505S pilot well
 - 3) San Juan 28-6 Unit #418S pilot well
- Transfer of pilot well results to Underpressured Envelope (UPE) of pool
- Conclusions

Summary

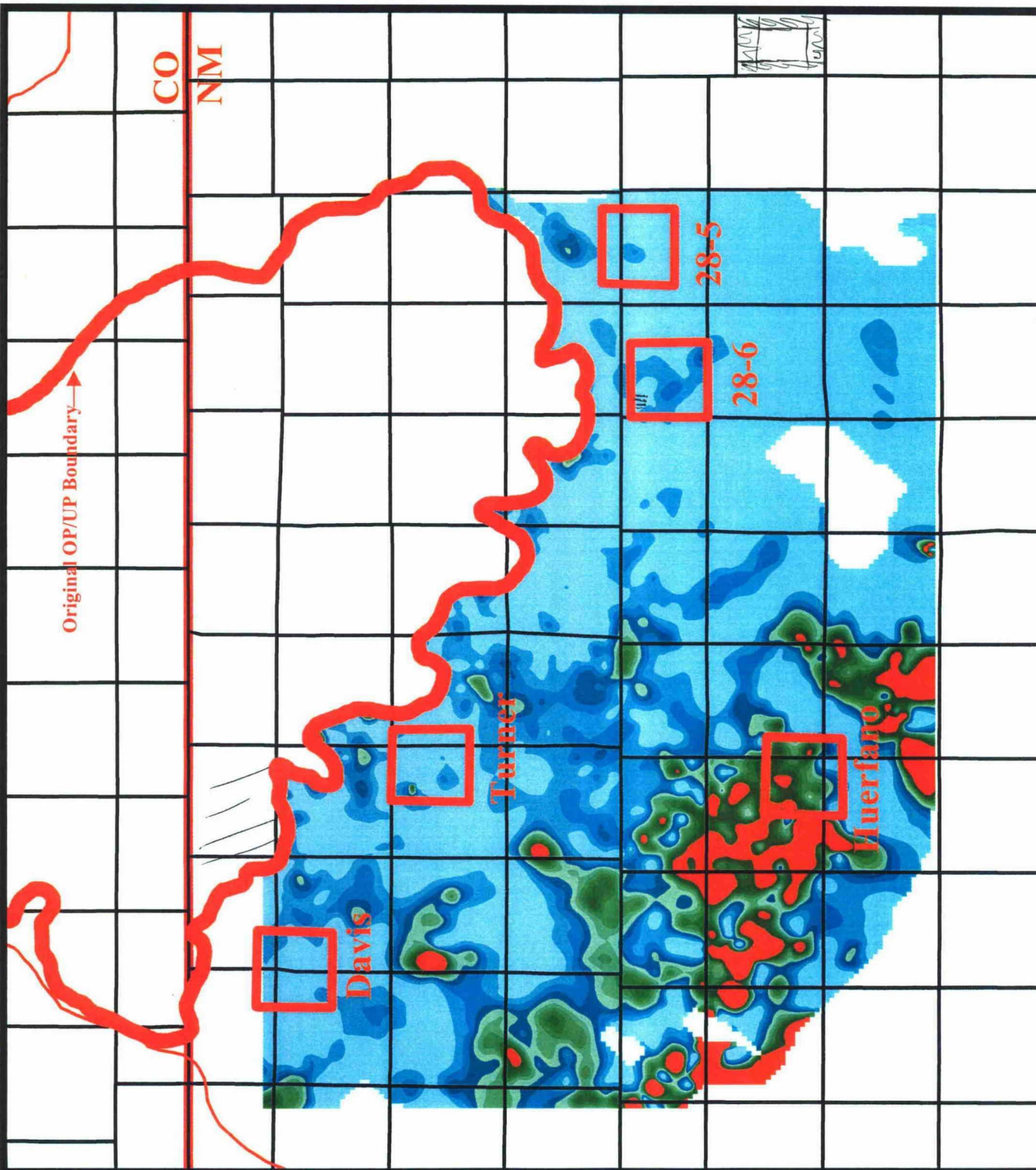
The Fruitland Coalbed Methane Study Committee request an order to amend Rule 4 and Rule 7 of the Special Rules and Regulations of the Basin Fruitland Coal Gas Pool

- Current well density in UPE portion of the pool results in inadequate recovery
- Pilot wells demonstrate inadequate drainage in some or all coal layers
- Additional completions (1 per GPU) result in additional recovery
- Pilot well results are transferable to UPE

Locator Map



Current 320 Acre OGIP Recovery Factor



Light Blue: 0 - 20%
 Dark Blue: 20 - 40%
 Light Green: 40 - 70%
 Dark Green: 70 - 100%
 Red: > 100%

Edward J. ...
David ...
Robert ...

CI: 10%

Current Density Results In Inadequate Recovery

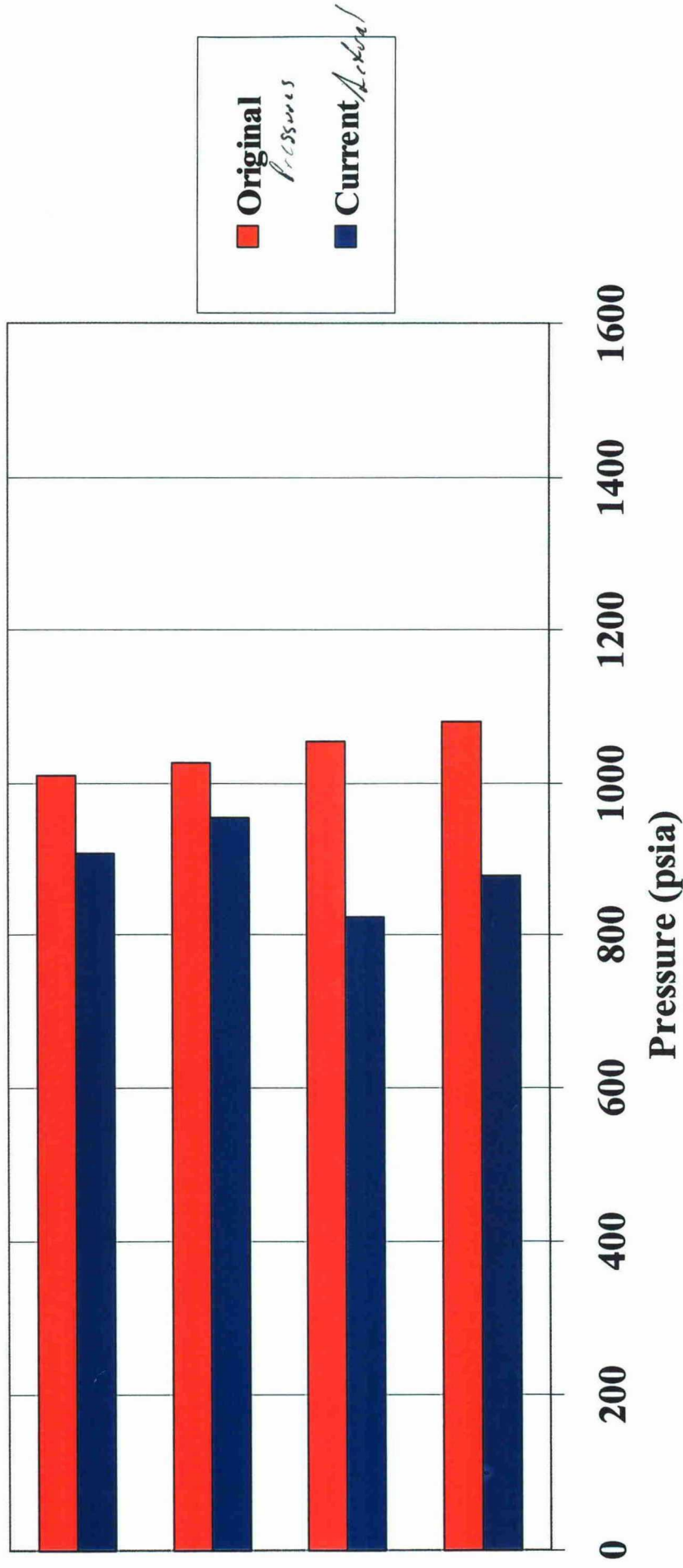


Recovery based upon a population
of existing wells (~ 1270) assuming
320-acre drainage

OGIP = 5.1 Tcf
EUR = 0.92 Tcf

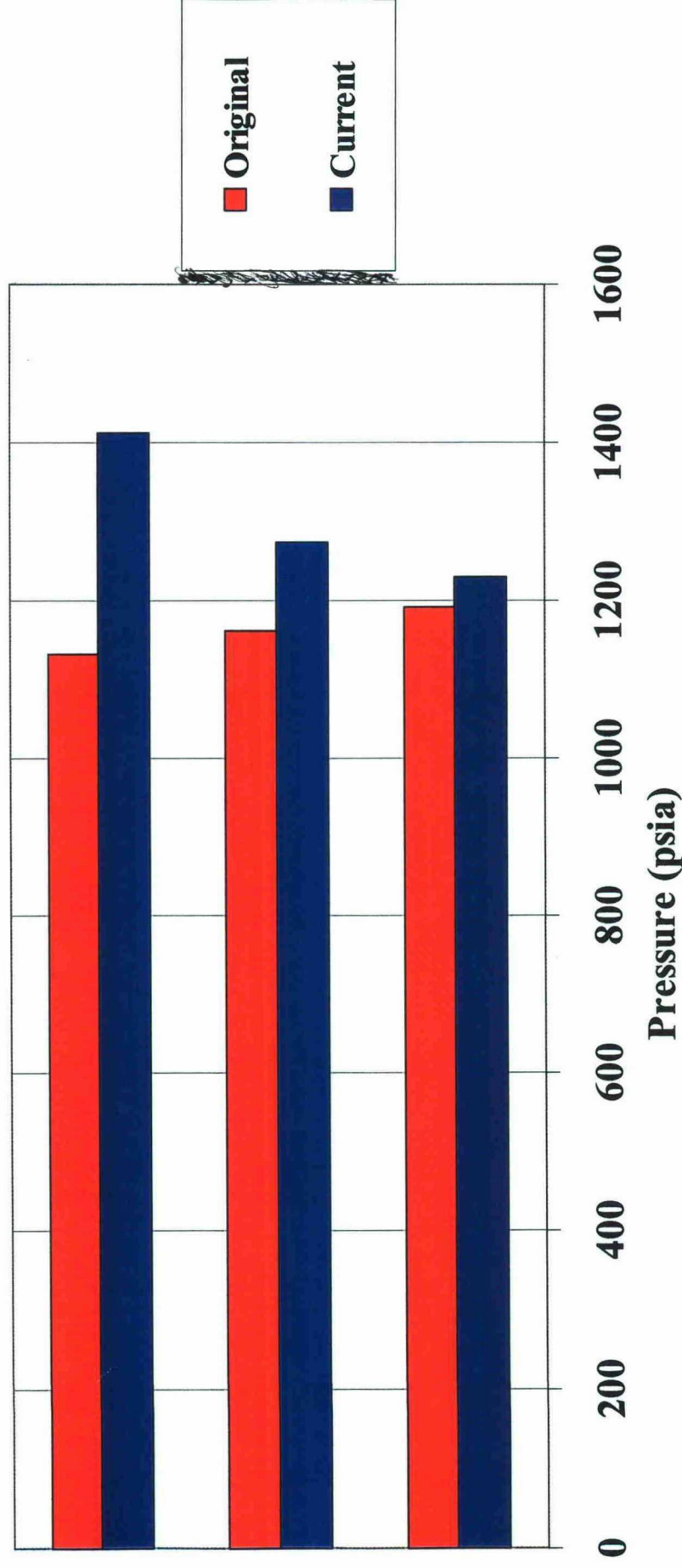
Pilot Wells Demonstrate Inadequate Drainage In Some/All Coal Layers

Davis #505S Layer Pressures



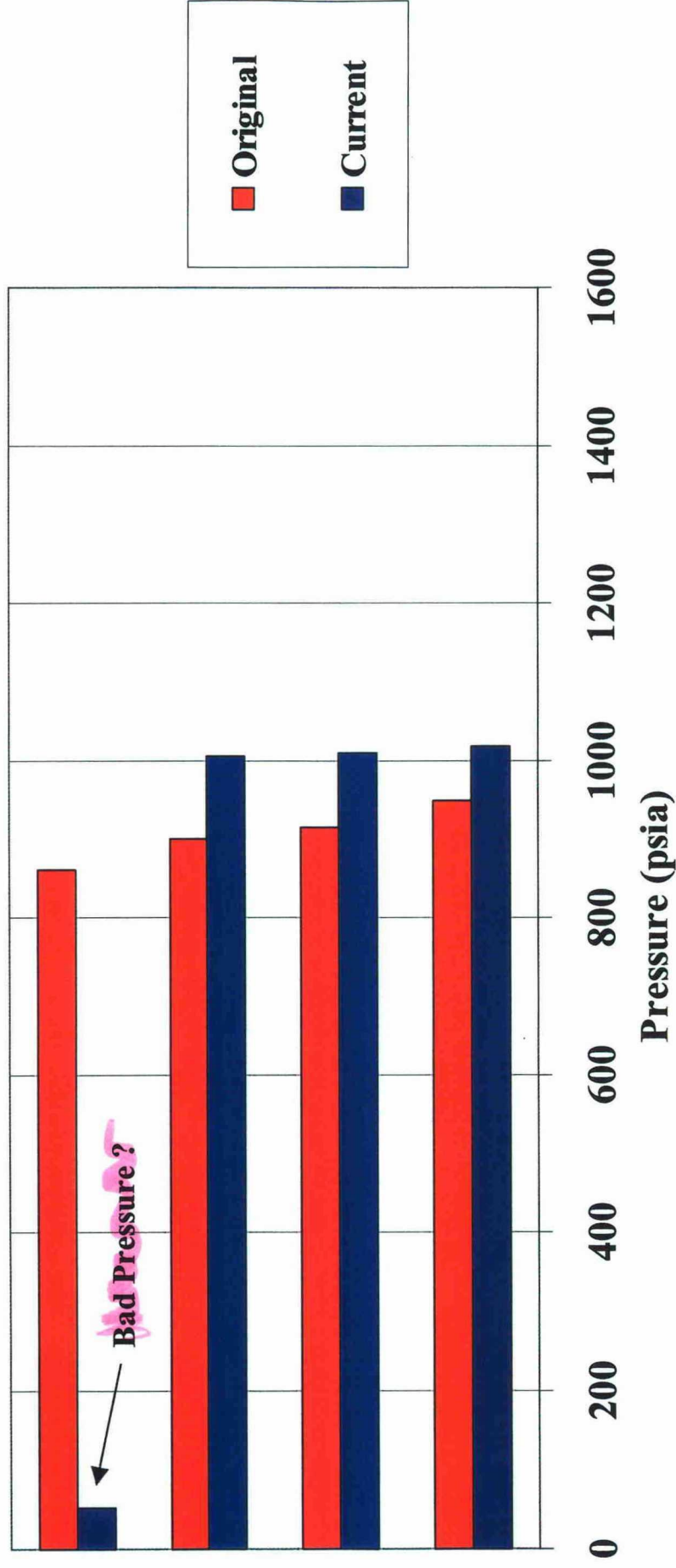
Pilot Wells Demonstrate Inadequate Drainage In Some/All Coal Layers

SJ 28-5 Unit #201S Layer Pressures



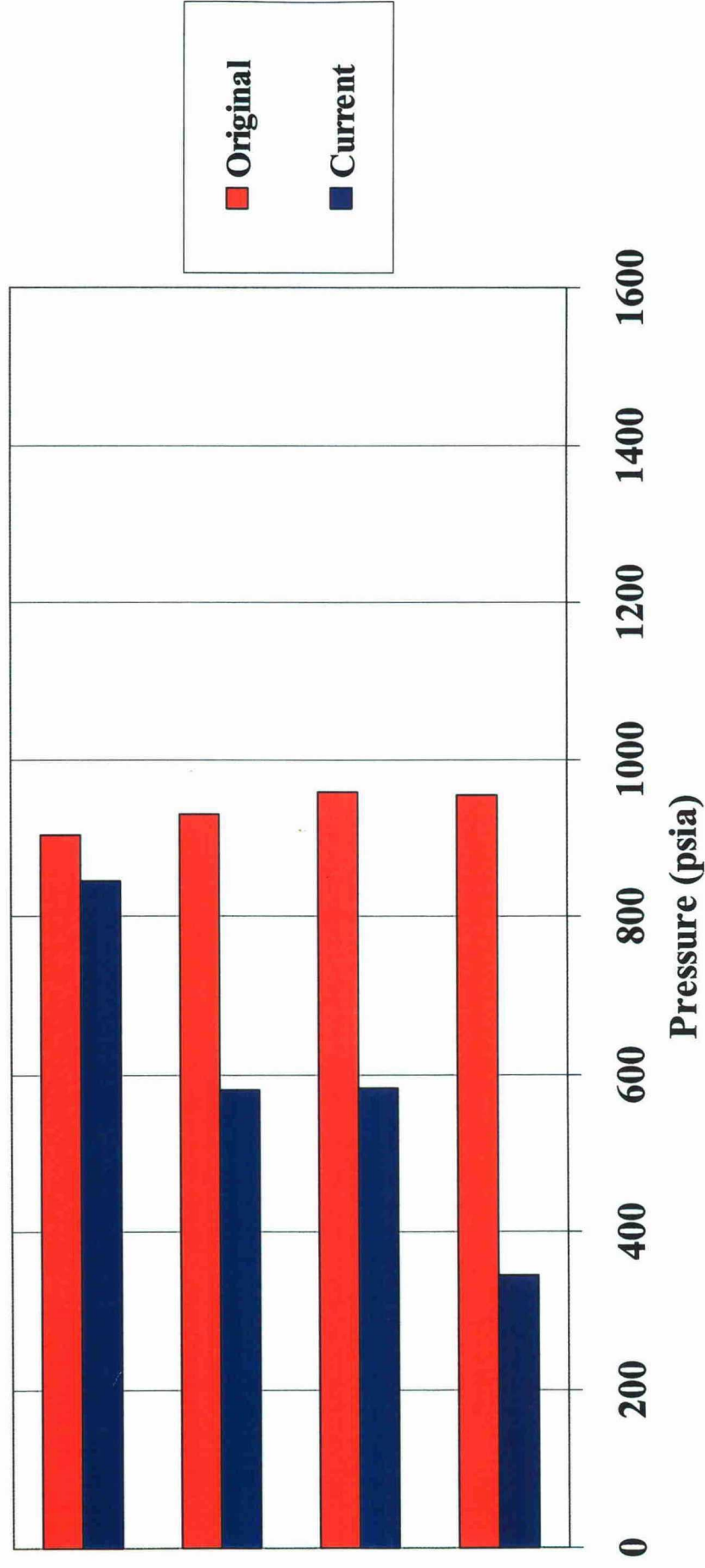
Pilot Wells Demonstrate Inadequate Drainage In Some/All Coal Layers

Turner Federal #210S Layer Pressures



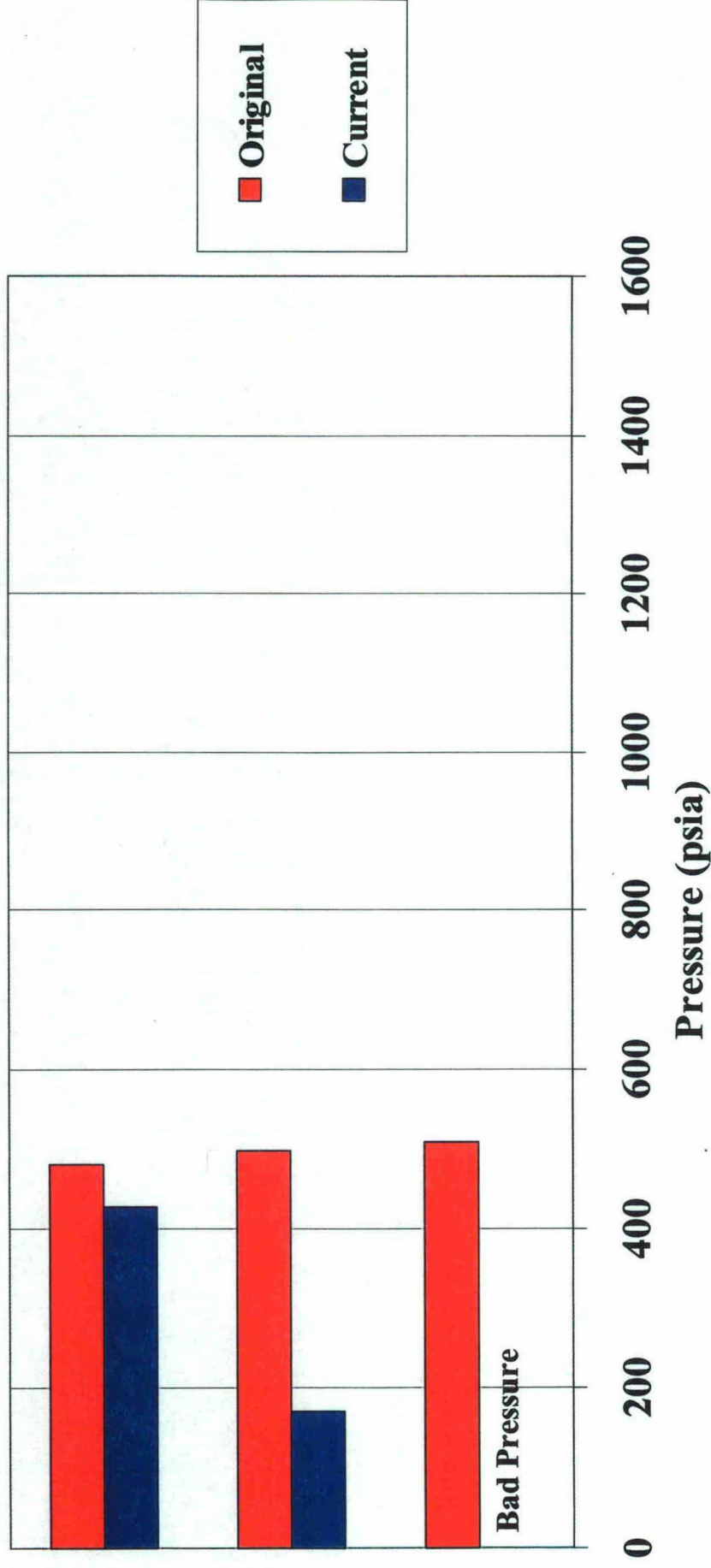
Pilot Wells Demonstrate Inadequate Drainage In Some/All Coal Layers

SJ 28-6 Unit #418S Layer Pressures



Pilot Wells Demonstrate Inadequate Drainage In Some/All Coal Layers

Huerfano Unit #258S Layer Pressures



Additional Completions Result in Additional Recovery



Pilot Well Results are Transferable to UPE

