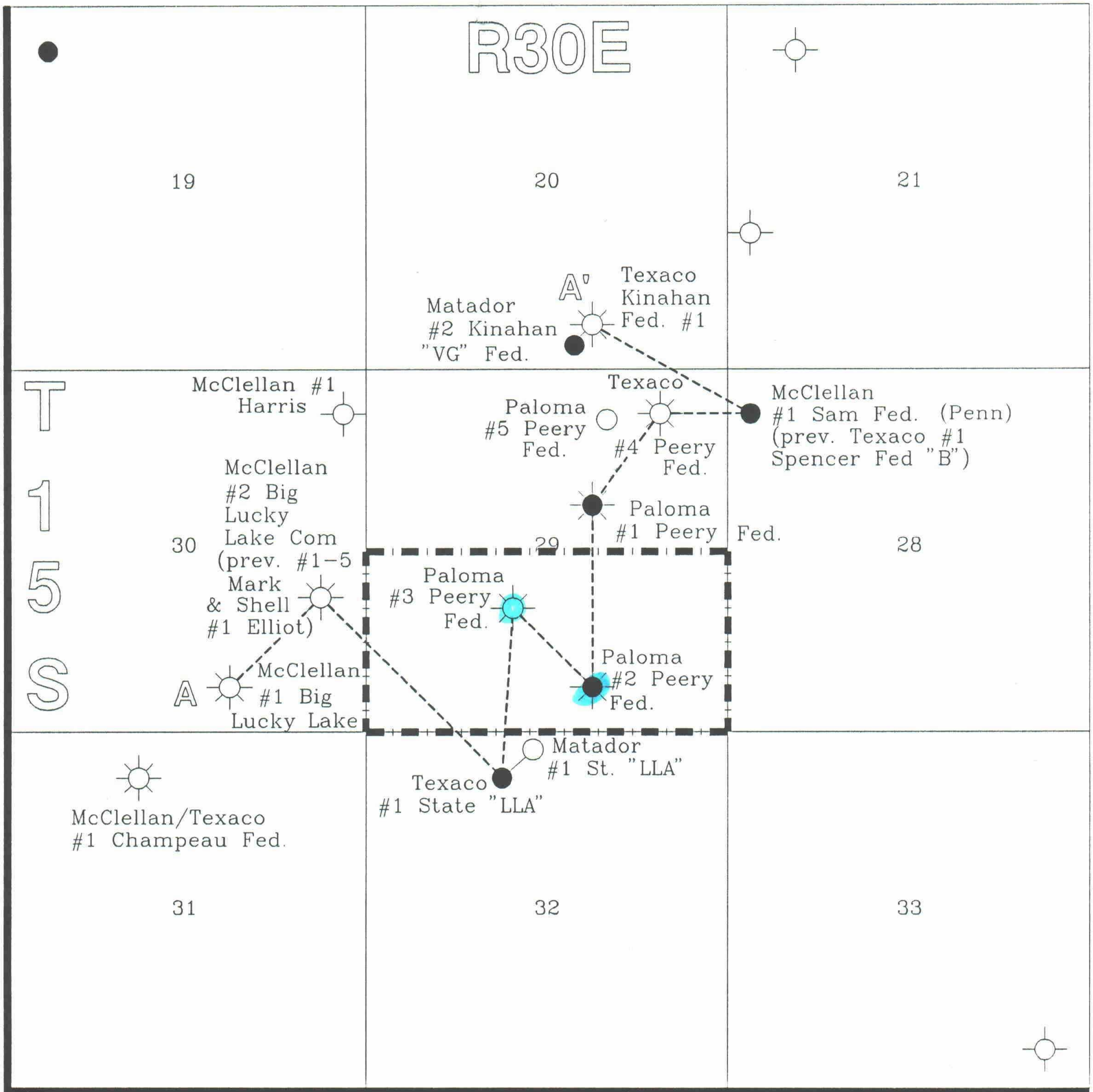


Paloma Resources, Inc.

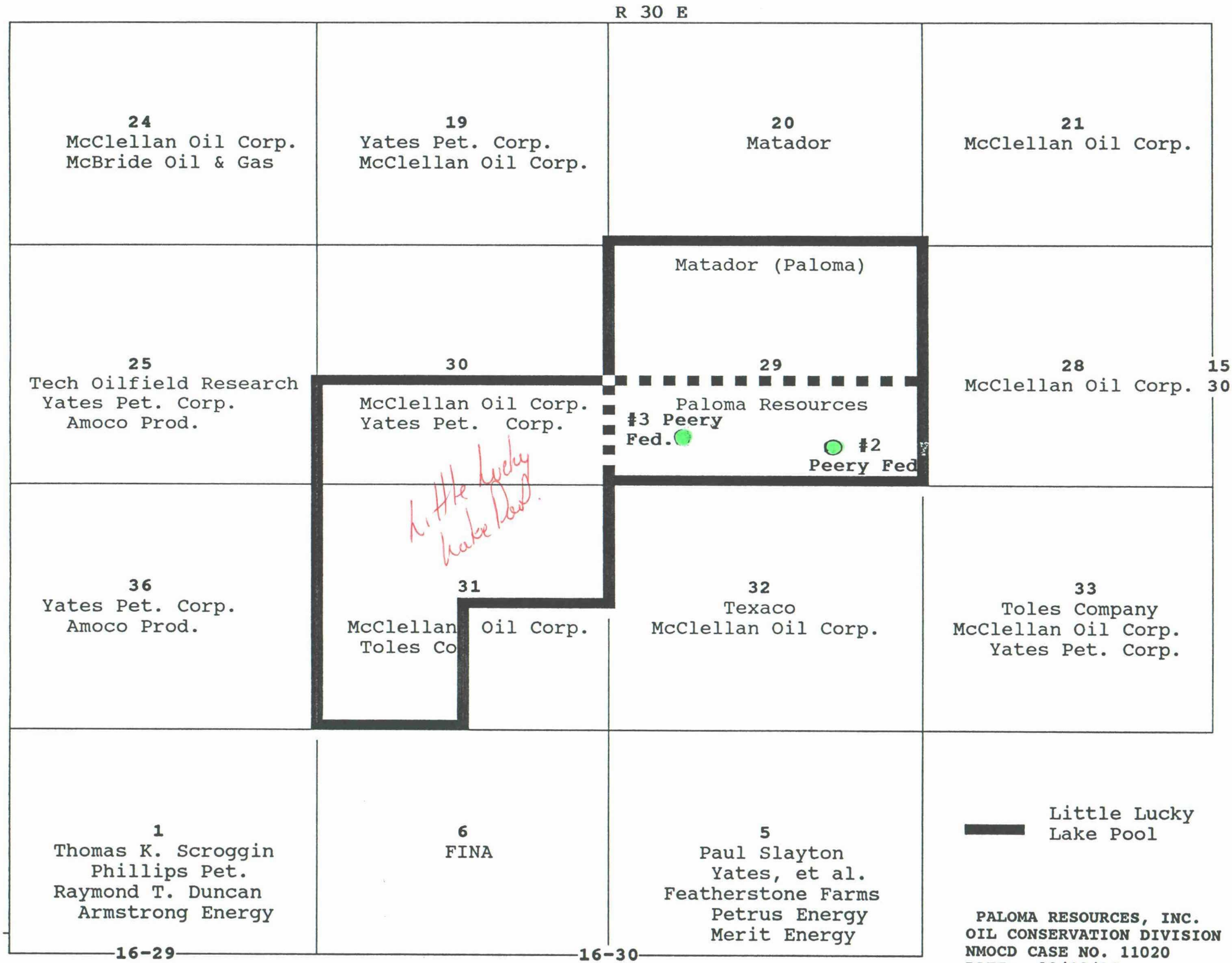
Little Lucky Lake Morrow

Well Location Map with S/2 Sec. 29 Proration Unit & Cross-Section A-A'

8/94

Exhibits 1 through 22 Complete set

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 1



PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 2

BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF PALOMA RESOURCES, INC. FOR THE CONCURRENT AND SIMULTANEOUS DEDICATION OF A MORROW GAS PRORATION UNIT OR, IN THE ALTERNATIVE, CREATION OF A NEW POOL, AND THE ESTABLISHMENT OF NON-STANDARD PRORATION UNITS, CHAVES COUNTY, NEW MEXICO	:	CASE NO. 11020

CERTIFICATE OF MAILING
AND
COMPLIANCE WITH RULE 1207

In accordance with Division Rule 1207, I hereby certify that on June 28, 1994, July 7 and 12, 1994, copies of the application and notice of the hearing date of the above-referenced case were mailed to the operators and interested parties listed in Exhibit "A".

Also attached hereto is a representative copy of said correspondence with copies of the return receipt cards as Exhibit "B".

By: Ernest L. Carroll
Ernest L. Carroll

LOSEE, CARSON, HAAS & CARROLL, P.A.
P. O. Drawer 239
Artesia, New Mexico 88211-0239

Attorneys for Applicant

STATE OF NEW MEXICO)
: ss.
COUNTY OF EDDY)

SUBSCRIBED AND SWORN TO before me this August 16, 1994.

Nancy J. Haldeman
Notary Public

My commission expires:
11-17-97

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 3

EXHIBIT A

	Date Mailed
McBride Oil and Gas P.O. Box 1515 Roswell, NM 88201	06/28/94
McClellan Oil Corporation P. O. Drawer 730 Roswell, NM 88201	06/28/94
Texaco Land Department P. O. Box 46510 Denver, CO 80201-6510	06/28/94
Yates Petroleum Corp. Attn: Land Department 105 S. Fourth Artesia, NM 88210	06/28/94
Amoco Production Company Attn: Land Department P.O. Box 3092 Houston, TX 77253	06/28/94
New Mexico Bureau of Mines and Mineral Resources Attn: Charles Chapin NM Tech Campus Station Socorro, New Mexico 87801 and	06/28/94
Tech Oilfield Research Corp. NM Bureau of Mines and Mineral Resources PRRC Attn: F.D. Martin NM Tech Campus Station Socorro, NM 87801	07/07/94
Mr. Joseph Wm. Foran Matador Petroleum Corporation Suite 158, Pecan Creek 8340 Meadow Road Dallas, TX 75231	06/28/94
Read & Stevens P. O. Box 1518 Roswell, NM 88201 Attn: Land Dept.	06/28/94
FINA Oil and Gas P. O. Box 2990 Midland, TX 79702 Attn: Land Dept.	06/28/94

Petrus Energy 12221 Merit Drive Dallas, TX 75251	06/28/94
Merit Energy 12221 Merit Drive Suite 1500 Dallas, TX 75251	06/28/94
Toles Company P. O. Drawer 1300 Roswell, NM 88201	06/28/94
Bass Enterprises 3100 First City Bank Tower 201 Main St. Fort Worth, TX 76102	06/28/94
Lowbar Petroleum C115 Petroleum Center San Antonio, TX 78209	06/28/94
Armstrong Energy P. O. Box 1973 Roswell, NM 88202	06/28/94
Raymond T. Duncan 1777 S. Harrison #1 Denver, CO 80210	07/12/94
Paul Slayton P. O. Box 2035 Roswell, NM 88201	07/12/94
Featherstone Farms 1717 W. Second St. Roswell, NM 88201	07/12/94
Phillips Petroleum Corp. 4001 Penbrook Odessa, TX 79762 Attn: J. S. Welin	07/12/94

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P. A.

ERNEST L. CARROLL
JOEL M. CARSON
DEAN B. CROSS
JAMES E. HAAS
A. J. LOSEE

MARY LYNN BOGLE

300 YATES PETROLEUM BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

TELEPHONE
(505) 746-3505

TELECOPY
(505) 746-6316

June 28, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Read & Stevens
P. O. Box 1518
Roswell, NM 88201

Attn: Land Dept.

Re: Application of Paloma Resources, Inc. for the Concurrent and Simultaneous Dedication of a Morrow Gas Proration Unit or, in the Alternative, Creation of a New Pool, and the Establishment of Non-standard Proration Units, Chaves County, New Mexico

Gentlemen:

This office represents Paloma Resources, Inc. On June 28, 1994, the above-referenced Application was sent for filing with the Oil Conservation Division; a copy of that Application is enclosed for your reference. This matter will be heard on July 21, 1994. Any party wishing to appear must file a prehearing statement by the Friday prior to the date of hearing, and any party wishing to receive other parties' prehearing statements or pleadings must file an entry of appearance. If you do not intend to protest said Application, enclosed you will find a waiver whereby you can make that decision known.

If you have any questions on this matter, do not hesitate to contact me at the letterhead number.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Ernest L. Carroll

Ernest L. Carroll

ELC:kth
Enclosure

EXHIBIT "B"

LAW OFFICES
LOSEE, CARSON, HAAS & CARROLL, P. A.

ERNEST L. CARROLL
JOEL M. CARSON
DEAN B. CROSS
JAMES E. HAAS
A. J. LOSEE

MARY LYNN BOGLE

300 YATES PETROLEUM BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

TELEPHONE
(505) 746-3505
TELECOPY
(505) 746-6316

July 12, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Paul Slayton
P. O. Box 2035
Roswell, NM 88201

Re: Application of Paloma Resources, Inc. for the Concurrent and Simultaneous Dedication of a Morrow Gas Proration Unit or, in the Alternative, Creation of a New Pool, and the Establishment of Non-standard Proration Units, Chaves County, New Mexico

Dear Mr. Slayton:

This office represents Paloma Resources, Inc. On June 28, 1994, the above-referenced Application was sent for filing with the Oil Conservation Division; a copy of that Application is enclosed for your reference. This matter will be heard on July 21, 1994. Any party wishing to appear must file a prehearing statement by the Friday prior to the date of hearing, and any party wishing to receive other parties' prehearing statements or pleadings must file an entry of appearance. If you do not intend to protest said Application, enclosed you will find a waiver whereby you can make that decision known.

If you have any questions on this matter, do not hesitate to contact me at the letterhead number.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Ernest L. Carroll

Ernest L. Carroll

ELC:kth
Enclosure

LAW OFFICES
LOSEE, CARSON, HAAS & CARROLL, P. A.
300 YATES PETROLEUM BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

ERNEST L. CARROLL
JOEL M. CARSON
DEAN B. CROSS
JAMES E. HAAS
A. J. LOSEE

MARY LYNN BOGLE

TELEPHONE
(505) 746-3505
TELECOPY
(505) 746-6316

July 7, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Tech Oilfield Research Corp.
New Mexico Bureau of Mines
and Mineral Resources PRRC
Attn: F. D. Martin
NM Tech Campus Station
Socorro, New Mexico 87801

Re: Application of Paloma Resources, Inc. for the Concurrent and Simultaneous Dedication of a Morrow Gas Proration Unit or, in the Alternative, Creation of a New Pool, and the Establishment of Non-standard Proration Units, Chaves County, New Mexico

Gentlemen:

This office represents Paloma Resources, Inc. On June 28, 1994, the above-referenced Application was sent for filing with the Oil Conservation Division; a copy of that Application is enclosed for your reference. This matter will be heard on July 21, 1994. Any party wishing to appear must file a prehearing statement by the Friday prior to the date of hearing, and any party wishing to receive other parties' prehearing statements or pleadings must file an entry of appearance. If you do not intend to protest said Application, enclosed you will find a waiver whereby you can make that decision known.

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Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Ernest L. Carroll

ELC:kth
Enclosure

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Margaret Miller-Brown
Ofc. of the Field Solicitor
U.S. Dept. of the Interior
P.O. Box 1042
Santa Fe, NM 87504-1042

4a. Article Number: Z 682 961 313

4b. Service Type: ☐ Registered ☐ Insured ☑ Certified ☐ COD ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery:

5. Signature (Addressee)

6. Signature (Agent): R. C. Eaton

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Raymond T. Duncan #1
1777 S. Harrison
Denver, Co 80210

4a. Article Number: Z 064 713 140

4b. Service Type: ☐ Registered ☐ Insured ☑ Certified ☐ COD ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery: 7-14-94

5. Signature (Addressee): [illegible]

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Phillips Petroleum Co
4001 Penbrook
Odessa, TX 79762
Attn: J. S. Welin

4a. Article Number: Z 682 961 315

4b. Service Type: ☐ Registered ☐ Insured ☑ Certified ☐ COD ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery: 7-13-94

5. Signature (Addressee)

6. Signature (Agent): [illegible]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Tech Oilfield Research Corp / NM Bureau of Mines
Attn: F.D. Martin
NM Tech Campus Station
Socorro, NM 87801

4a. Article Number: Z 064 713 144

4b. Service Type: ☐ Registered ☐ Insured ☑ Certified ☐ COD ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery: 7/12/94

5. Signature (Addressee)

6. Signature (Agent): Brenda Parson

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

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SENDER:
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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Featherston Farms
1717 W. Second St.
Roswell, NM 88201

4a. Article Number: Z 064 713 143

4b. Service Type: ☐ Registered ☐ Insured ☑ Certified ☐ COD ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery: 7/13/94

5. Signature (Addressee): [illegible]

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Merit Energy
12221 Merit Drive
Suite 1500
Dallas, TX 75251

4a. Article Number: Z 064 713 127

4b. Service Type: ☐ Registered ☐ Insured ☑ Certified ☐ COD ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery: 7-6-94

5. Signature (Addressee): [illegible]

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Amoco Production Co.
Attn: Land Dept.
P.O. Box 3092
Houston, TX 77253

4a. Article Number: Z 064 713 135

4b. Service Type: ☐ Registered ☐ Insured ☑ Certified ☐ COD ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery: JUL -1 1994

5. Signature (Addressee)

6. Signature (Agent): [illegible]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Bass Enterprises
3100 First City Bank Tower
201 Main St.
Fort Worth, TX 76102

4a. Article Number: Z 064 713 125

4b. Service Type: ☐ Registered ☐ Insured ☑ Certified ☐ COD ☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery: JUL 01 1994

5. Signature (Addressee)

6. Signature (Agent): [illegible]

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to: Read & Stevens P.O. Box 1518 Roswell, NM 88201

4a. Article Number Z 064 713 13
4b. Service Type ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ COD ☐ Return Receipt for Merchandise
7. Date of Delivery ROSWELL, NM JUN 29 1994
5. Signature (Addressee)
8. Addressee's Address (Only if requested and fee is paid)
6. Signature (Agent) [illegible]

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side? Thank you for using Return Receipt Service.

SENDER:
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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to: McBride Oil & Gas P.O. Box 1515 Roswell, NM 88201

4a. Article Number Z 064 713 139
4b. Service Type ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ COD ☐ Return Receipt for Merchandise
7. Date of Delivery 6-29-94
5. Signature (Addressee)
8. Addressee's Address (Only if requested and fee is paid)
6. Signature (Agent) [illegible]

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side? Thank you for using Return Receipt Service.

SENDER:
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- Complete items 3, and 4a & b.
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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to: Yates Petroleum Corp. 105 S Fourth St. Artesia, NM 88210 Attn: Land Department

4a. Article Number Z 064 713 134
4b. Service Type ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ COD ☐ Return Receipt for Merchandise
7. Date of Delivery 6-29-94
5. Signature (Addressee) [illegible]
8. Addressee's Address (Only if requested and fee is paid)
6. Signature (Agent)

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side?

- Attach this form to the front of the mailpiece, or on the back if space does not permit.
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- The Return Receipt will show to whom the article was delivered and the date delivered.

1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to: Joe Foran Matador Petroleum Corp Suite 158, Pecan Creek 8340 Meadow Road Dallas, TX 75231

4a. Article Number Z 064 713 137
4b. Service Type ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ COD ☐ Return Receipt for Merchandise
7. Date of Delivery 7-1-94
5. Signature (Addressee)
8. Addressee's Address (Only if requested and fee is paid)
6. Signature (Agent) [illegible]

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to: McClellan Oil Corp. P.O. Drawer 730 Roswell, NM 88201

4a. Article Number Z 064 713 138
4b. Service Type ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ COD ☐ Return Receipt for Merchandise
7. Date of Delivery JUN 30 1994
5. Signature (Addressee)
8. Addressee's Address (Only if requested and fee is paid)
6. Signature (Agent) L. Stewart - ma

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side? Thank you for using Return Receipt Service.

SENDER:
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- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to: Armstrong Energy P.O. Box 1973 Roswell, NM 88202

4a. Article Number Z 064 713 123
4b. Service Type ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ COD ☐ Return Receipt for Merchandise
7. Date of Delivery June 30, 1994
5. Signature (Addressee)
8. Addressee's Address (Only if requested and fee is paid)
6. Signature (Agent) L. [illegible]

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side? Thank you for using Return Receipt Service.

SENDER:
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I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to: Foles Company P.O. Drawer 1300 Roswell, NM 88202

4a. Article Number Z 064 713 126
4b. Service Type ☐ Registered ☐ Certified ☐ Express Mail ☐ Insured ☐ COD ☐ Return Receipt for Merchandise
7. Date of Delivery JUN 30 1994
5. Signature (Addressee)
8. Addressee's Address (Only if requested and fee is paid)
6. Signature (Agent) [illegible]

PS Form 3811, December 1991 ★U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

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SENDER:
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- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to: Attn: Charles Chapin NM Institute of Mining Technology / Bureau of Mines: Mineral Resources NM Tech / Campus Station Socorro, NM 87801

4a. Article Number Z 064 713 136
4b. Service Type ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ COD ☐ Return Receipt for Merchandise
7. Date of Delivery CAMPUS STATION JUN 30 1994
5. Signature (Addressee) [illegible]
8. Addressee's Address (Only if requested and fee is paid)
6. Signature (Agent)

Is your RETURN ADDRESS completed on the reverse side?

CERTIFIED

Z 064 713 124

MAIL

RETURNED TO SENDER

FORWARDING ORDER EXPIRED
78209

LAW OFFICES
LOSEE, CARSON, HAAS & CARROLL, P. A.
300 YATES PETROLEUM BUILDING
P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

Lowbar Petroleum
C115 Petroleum Center
San Antonio, TX 78209

FOE

7-6

2101

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Petro Energy Inc.
12221 Merit Drive
Dallas, TX 75251

4a. Article Number
2 064 713 128

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery
7-1-94

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 *U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Mr. Paul Slayton
P.O. Box 2035
Roswell, NM 88202

4a. Article Number
2 064 713 141

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery

ROSWELL 1994

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 *U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
TEXACO
P.O. Box 46510
Denver, CO 80201-6510
Attn: Land Dept.

4a. Article Number
P 083 ~~29~~ 924 414

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery
6-30

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 *U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
FINA Oil and Gas
P.O. Box 2990
Midland, TX 79702

4a. Article Number
2 064 713 129

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

7. Date of Delivery
6-30-94

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

PS Form 3811, December 1991 *U.S. GPO: 1993—352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF PALOMA RESOURCES, INC. FOR THE CONCURRENT AND SIMULTANEOUS DEDICATION OF A MORROW GAS PRORATION UNIT OR, IN THE ALTERNATIVE, CREATION OF A NEW POOL, AND THE ESTABLISHMENT OF NON-STANDARD PRORATION UNITS, CHAVES COUNTY, NEW MEXICO	:	CASE NO. 11020

WAIVER

AMOCO PRODUCTION COMPANY, as offset operator or interest owner, has no objection to Paloma Resources, Inc.'s application as captioned hereinabove, and hereby waives any objection to the concurrent and simultaneous dedication of a Morrow gas proration unit, or in the alternative, creation of a new pool, and establishment of non-standard proration unit, in Section 29, Township 15 South, Range 30 East, NMPM, Chaves County, New Mexico, as set out particularly in the Application.

AMOCO PRODUCTION COMPANY

By: C.L. Raper

C. L. Raper
Attorney-In-Fact
Title

7/6/94
Date

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 4

BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF PALOMA RESOURCES, INC. FOR THE CONCURRENT AND SIMULTANEOUS DEDICATION OF A MORROW GAS PRORATION UNIT OR, IN THE ALTERNATIVE, CREATION OF A NEW POOL, AND THE ESTABLISHMENT OF NON-STANDARD PRORATION UNITS, CHAVES COUNTY, NEW MEXICO	**CASE NO.** 11020

WAIVER

TECH OILFIELD RESEARCH CORP., ~~**New Mexico Bureau of Mines and Mineral Resources/PRRC,**~~ 7Om as offset operator or interest owner, has no objection to Paloma Resources, Inc.'s application as captioned hereinabove, and hereby waives any objection to the concurrent and simultaneous dedication of a Morrow gas proration unit, or in the alternative, creation of a new pool, and establishment of non-standard proration unit, in Section 29, Township 15 South, Range 30 East, NMPM, Chaves County, New Mexico, as set out particularly in the Application.

TECH OILFIELD RESEARCH CORP.
~~**New Mexico Bureau of Mines and Mineral Resources/PRRC**~~ 7Om

By: J. David Martin

President
Title

7-8-94
Date

BEFORE THE OIL CONSERVATION DIVISION

OF THE STATE OF NEW MEXICO

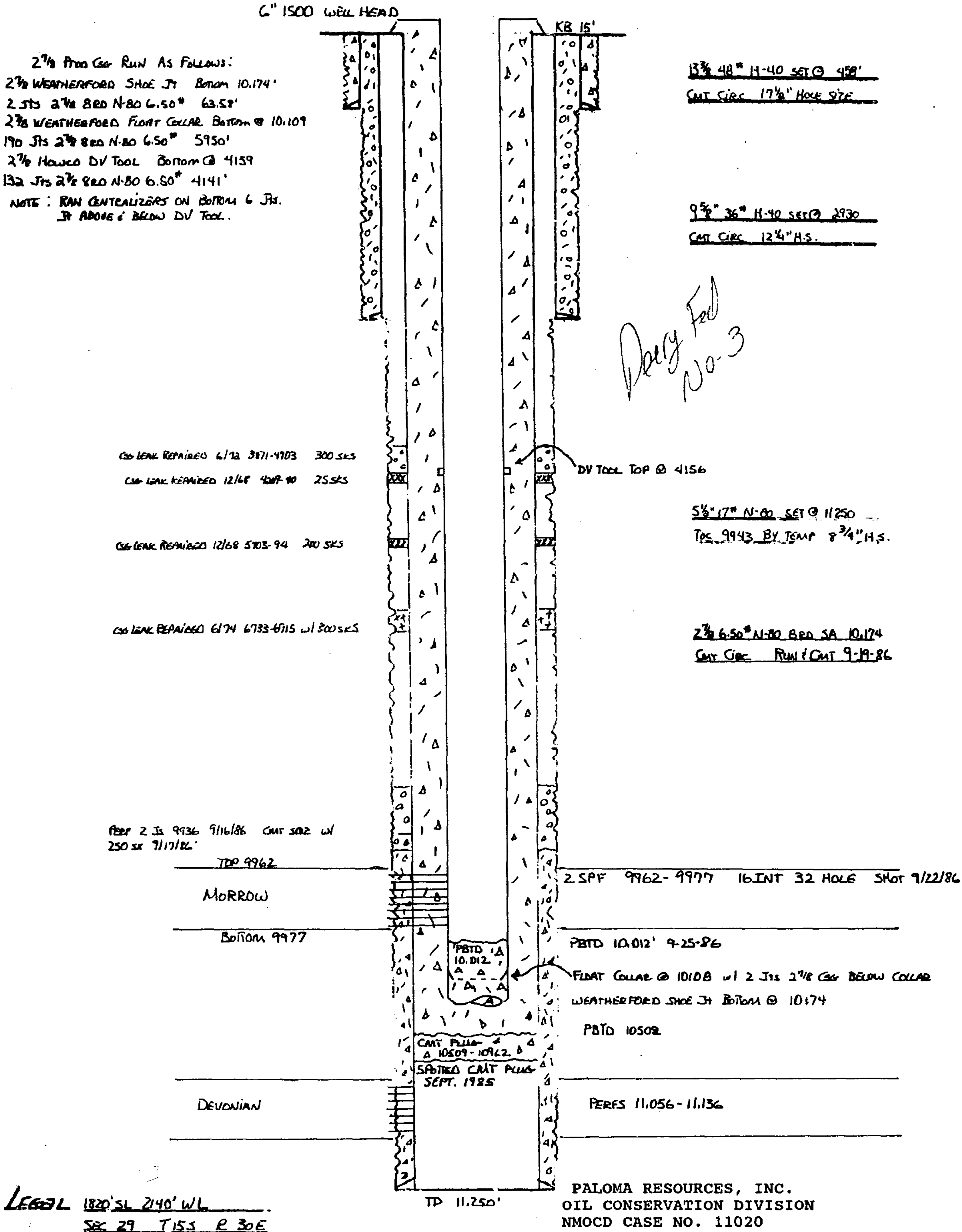
IN THE MATTER OF THE APPLICATION OF PALOMA RESOURCES, INC. FOR THE CONCURRENT AND SIMULTANEOUS DEDICATION OF A MORROW GAS PRORATION UNIT OR, IN THE ALTERNATIVE, CREATION OF A NEW POOL, AND THE ESTABLISHMENT OF NON-STANDARD PRORATION UNITS, CHAVES COUNTY, NEW MEXICO	**CASE NO.11020**

WAIVER

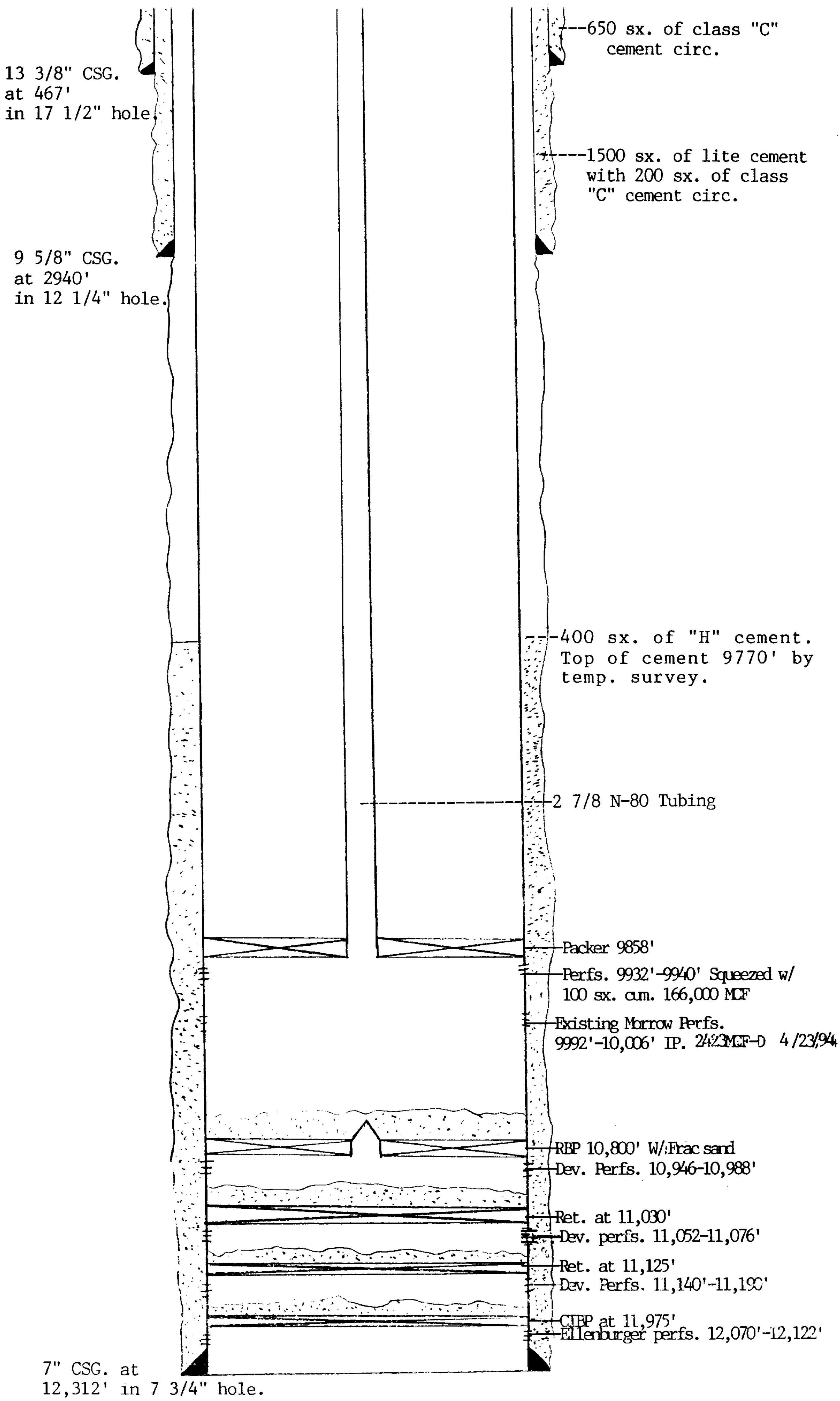
PAUL SLAYTON, as offset operator or interest owner, has no objection to Paloma Resources, Inc.'s application as captioned hereinabove, and hereby waives any objection to the concurrent and simultaneous dedication of a Morrow gas proration unit, or in the alternative, creation of a new pool, and establishment of non-standard proration unit, in Section 29, Township 15 South, Range 30 East, NMPM, Chaves County, New Mexico, as set out particularly in the Application.

Paul Slayton
PAUL SLAYTON

July 14, 1994
Date



PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 5



Paloma Resources, Inc.
Peery Fed. #2
1980' FEL + 660' FSL
Sec. 29-T15S-R30E
Chaves Co. N.M.
Little Lucky Lake Morrow
Current well bore Diagram.

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 6

COMPANY:	PALOMA RESOURCES
CLIENT:	GENE LEE
GAUGE NUMBER:	42253
WELL NAME:	PEERY FED
WELL NUMBER:	#3
TEST NUMBER:	1
LOCATION:	S29-T15-R30
TEST OPERATOR:	KELTIC SERVICES
COMMENTS:	85 HR. B.U.,BOMBS HUNG @ 9865 ft.,PRESS.EXTRAP. TO MID-PERFS

Test Date
April, 1994

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 7

PAGE START DATE: 4/23/94 GAUGE S/N: 42253

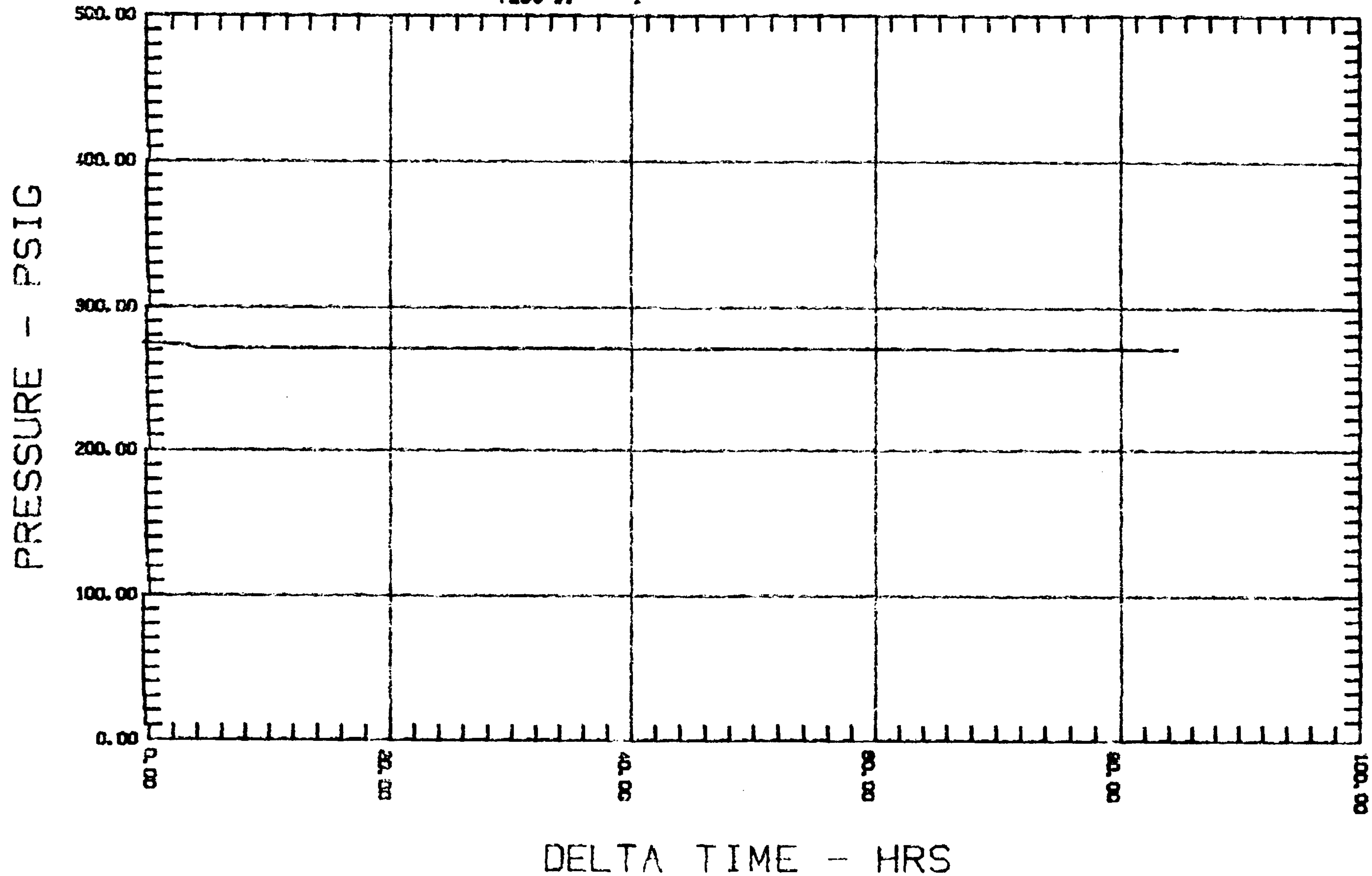
DATA FILE: 10

DATA POINT	REAL TIME	DELTA TIME HRS	DEFLECTION IN	PRESSURE PSIG	COMMENTS
1	20:25: 8	0.000	0.1546	275.22	WELL SHUT-IN
2	20:44:23	0.321	0.1546	275.22	
3	20:52: 2	0.448	0.1546	275.22	
4	21:20:24	0.921	0.1541	274.27	
5	22:15:30	1.839	0.1540	274.08	
6	0:11:36	3.774	0.1533	272.75	
7	1: 3:37	4.641	0.1523	270.84	
8	2:31: 3	6.099	0.1523	270.84	
9	3:52: 1	7.448	0.1523	270.84	
10	5:32: 6	9.116	0.1523	270.84	
11	8: 8:27	11.722	0.1523	270.84	
12	9:52:56	13.463	0.1523	270.84	
13	12:19:45	15.910	0.1523	270.84	
14	14: 4:49	17.661	0.1523	270.84	
15	16:25:10	20.001	0.1523	270.84	
16	20: 3: 5	23.633	0.1523	270.84	
17	21:38:54	25.229	0.1523	270.84	
18	23: 4:43	26.660	0.1523	270.84	
19	1: 0:58	28.597	0.1523	270.84	
20	3: 9:15	30.735	0.1523	270.84	
21	4:58:18	32.553	0.1523	270.84	
22	6:25:35	34.008	0.1523	270.84	
23	7:34: 4	35.149	0.1523	270.84	
24	9: 3:34	36.641	0.1523	270.84	
25	11: 0: 6	38.583	0.1523	270.84	
26	12:42:31	40.290	0.1523	270.84	
27	14:34:47	42.161	0.1523	270.84	
28	16:36:28	44.189	0.1523	270.84	
29	18:34:11	46.151	0.1523	270.84	
30	20:28:57	48.064	0.1523	270.84	
31	22: 7:24	49.704	0.1523	270.84	
32	0:24:31	51.990	0.1523	270.84	
33	2:22:13	53.951	0.1523	270.84	
34	5:24: 0	56.981	0.1523	270.84	
35	8:27:15	60.035	0.1523	270.84	
36	10:50:50	62.428	0.1523	270.84	
37	13:21:10	64.934	0.1523	270.84	
38	16:22:30	67.956	0.1523	270.84	
39	18:31:32	70.107	0.1523	270.84	
40	20:17: 2	71.865	0.1523	270.84	
41	22:34: 0	74.148	0.1523	270.84	
42	0:52: 8	76.450	0.1523	270.84	
43	3: 1:45	78.610	0.1523	270.84	
44	4:50:21	80.420	0.1523	270.84	
45	6:29:32	82.073	0.1523	270.84	
46	8:22:50	83.962	0.1523	270.84	
47	9:39:51	85.245	0.1523	270.84	

Plot starting date: 4/23/94
time: 20:25: 8
Gauge S/N 42253

Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #3
Test #: 1

Location: S29-T15-R30
Operator: KELTIC SERVICES
Comments: 85 HR. B.U., BOMBS HUNG @ 9865 ft., PRESS. EXTRAP. TO MID-PERFS



COMPANY:	PALOMA RESOURCES
CLIENT:	GENE LEE
GAUGE NUMBER:	42253
WELL NAME:	PEERY FED
WELL NUMBER:	#3
TEST NUMBER:	1
LOCATION:	S29-T15-R30
TEST OPERATOR:	KELTIC SERVICES
COMMENTS:	STATIC W/ GRAD. STOPS RUN AFTR B.U.,SURFACE PRESS.= 200 psig

PAGE START DATE: 4/27/94 GAUGE S/N: 42253

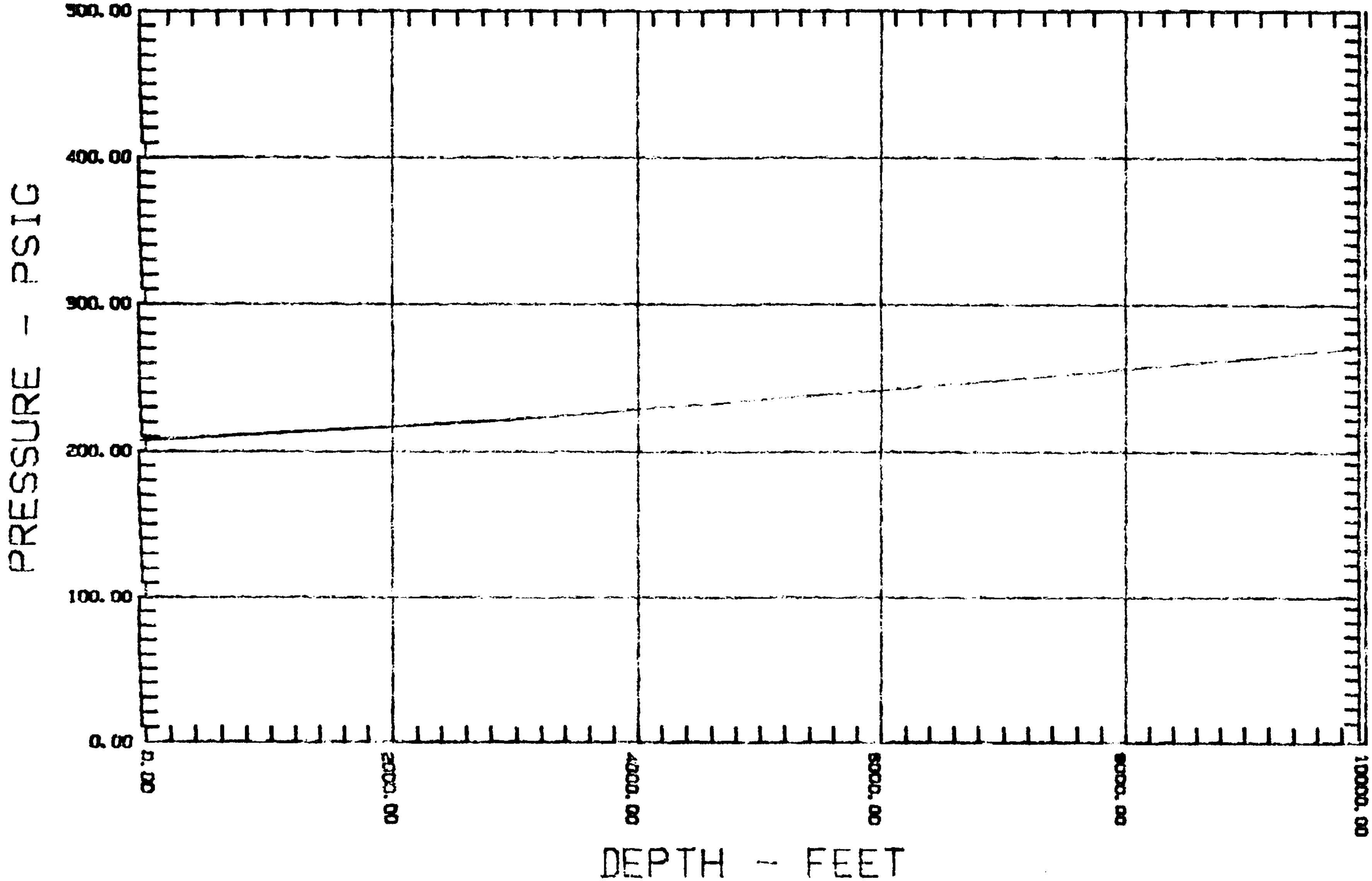
DATA FILE: 11

TIME	DELTA TIME HRS	DEPTH FEET	DEFLECTION IN	PRESSURE PSIG	COMMENTS
9:50:30	0.000	0.00	0.1191	207.57	
9:53:40	0.053	3000.00	0.1260	221.48	0.005 PSI/FT
10:20:10	0.494	6000.00	0.1390	241.50	0.007 PSI/FT
11: 3:31	1.217	9000.00	0.1490	262.94	0.007 PSI/FT
11:20: 4	1.493	9935.00	0.1520	270.84	0.009 PSI/FT

Plot starting date: 4/27/94
time: 9:50:30
Gauge S/N 42253

Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #3
Test #: 1

Location: S29-T15-R30
Operator: KELTIC SERVICES
Comments: STATIC W/ GRAD. STOPS RUN AFTR B.U., SURFACE PRESS. = 200 psig



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Revised 10-1-78

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Type Test: [x] Initial [ ] Annual [ ] Special		Test Date: 4-23-94	
Company: PALOMA RESOURCES	Connection: PIPELINE		
Pool:	Formation: MORROW		Unit:
Completion Date: 4-6-94	Total Depth: 11,025	Plug Back TD: 10,089	Elevation:	Farm or Lease Name: PEERY FED

Csg. Size	Wt.	d	Set At	Perforations	Well No.
7.0	32	6.094	11,025	From 9992 To 10008	#2

Tbg. Size	Wt.	d	Set At	Perforations	Unit	Sec.	Twp.	Rge.
2.875	6.5	2.441	9857	From - To -		29	15s	30e

Type Well – Single – Bradenhead – G.G. or G.O. Multiple	Packer Set At	County
SINGLE (GAS)	9848	EDDY

Producing Thru	Reservoir Temp. °F	Mean Annual Temp. °F	Baro. Press. – P_a	State
TBG. (GAS)	140° 9936	60	14.65	NEW MEXICO

L	H	Gg	% CO_2	% N_2	% H_2S	Prover	Meter Run	Taps
10.000	10.000	0.736	0.14	1.212	0.00	0.00	3.0	FLG.

	FLOW DATA					TUBING DATA		BHP DATA		
NO.	Prover Line Size x Orifice Size	Press. p.s.i.g.	Diff. h_w	Temp. °F		Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.	Temp. °F	Duration of Flow
SI						2055	60	3427	140	72
1.	3.0 X 1.75	5.0	5.4	70		1600	60	2927	140	1.0
2.	3.0 x 1.75	5.3	7.7	70		1590	60	2724	140	1.0
3.	3.0 x 2.00	6.1	7.8	70		1330	60	2217	140	1.0
4.	3.0 x 2.00	6.4	9.0	70		1145	60	1897	140	1.0
5.										

RATE OF FLOW CALCULATIONS

NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P_m	Flow Temp. Factor Ft.	Gravity Factor Fg	Super Compress. Factor, Fpv	Rate of Flow Q, Mcfd
1	19.03	27.0	5.0	0.9905	1.166	1.110	570
2.	19.03	40.81	5.3	0.9905	1.166	1.115	866
3.	25.99	47.58	6.1	0.9905	1.166	1.120	1385
4.	25.99	57.60	6.4	0.9905	1.166	1.116	1671
5.							

NO.	P_r	Temp. °R	T_r	Z
1		530	1.17	0.811
2.		530	1.17	0.804
3.		530	1.17	0.797
4.		530	1.17	0.803
5				

Gas Liquid Hydrocarbon Ratio 17.9 Mcf/bbl.
A.P.I. Gravity of Liquid Hydrocarbons ____ Deg.
Specific Gravity Separator Gas 0.736 XXXXXXXXXX
Specific Gravity Flowing Fluid XXXXX
Critical Pressure 664 P.S.I.A. ____ P.S.I.A.
Critical Temperature 443 R ____ R

P_c 3442 P_c^2 11,847

NO	P_t^2	P_w	P_w^2	$P_c^2 - P_w^2$
1		2942	8.65	3192
2		2739	7.50	4345
3		2232	4.98	6865
4		1912	3.65	8191
5				

(1) $\frac{P_c^2}{P_c^2 - P_w^2} = 1.45$ (2) $\left[\frac{P_c^2}{P_c^2 - P_w^2}\right]^n = 1.45$

$$AOF = Q \left[\frac{P_c^2}{P_c^2 - P_w^2}\right]^n = 2423$$

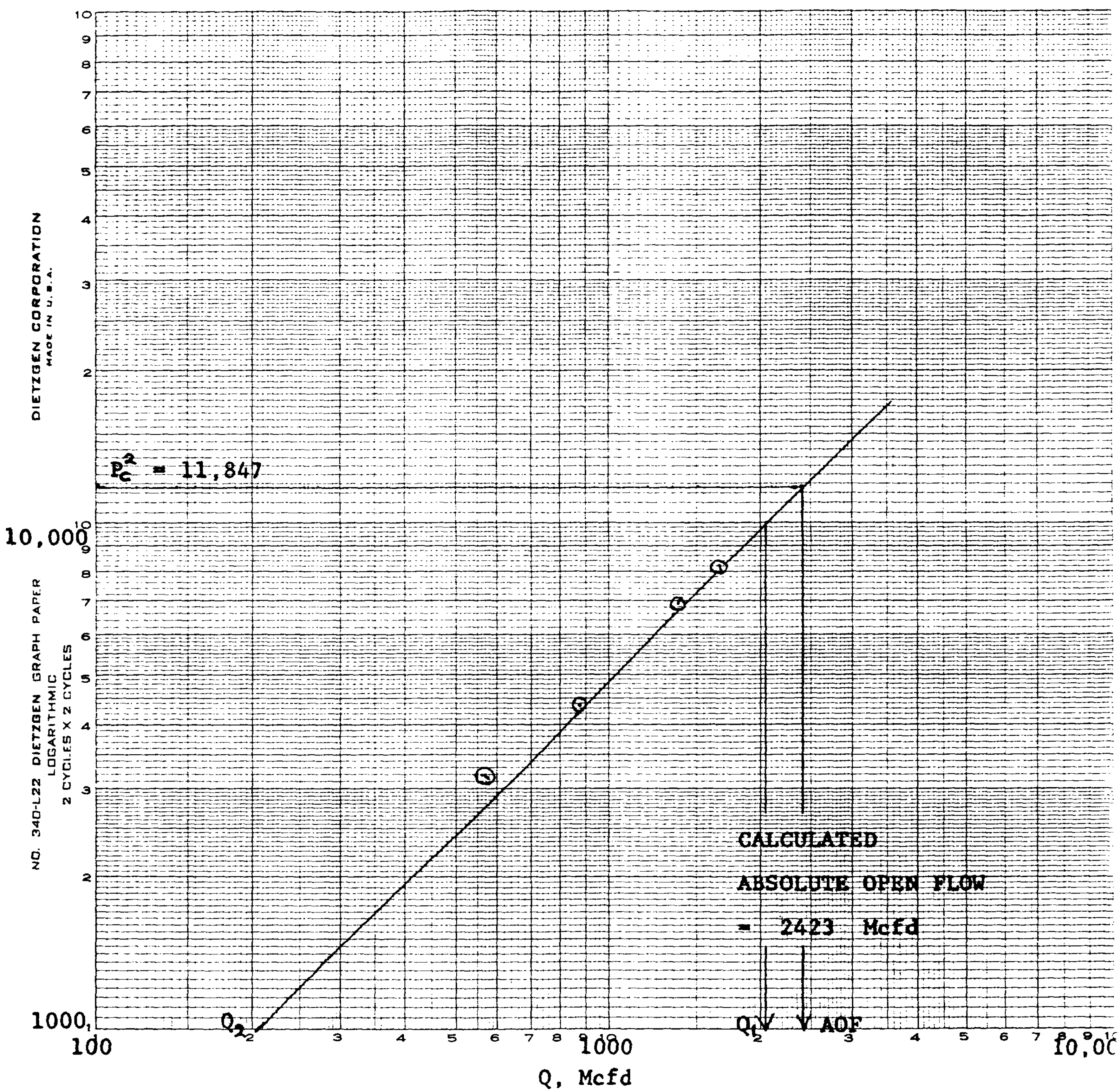
Absolute Open Flow 2423 Mcfd @ 15.025 Angle of Slope θ 45 Slope, n 1.00

Remarks: Bottom Hole Pressures taken from bombs hung during test

Approved By Division	Conducted By:	Calculated By:	Checked By:
	Keltic Services	Jim Smith	

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 8

COMPANY : PALOMA RESOURCES
WELL : PEERY FED # 2
LOCATION : 29 - 15s - 30e
COUNTY : EDDY
DATE : 4-23-94



ΔP_1 = 10,000
ΔP_2 = 1,000

Q_1 = 2050 Mcfd
Q_2 = 205 Mcfd

LOG Q_1 = 3.312
LOG Q_2 = 2.312

n = 1.000

COMPANY:	PALOMA RESOURCES
CLIENT:	GENE LEE
GAUGE NUMBER:	29353
WELL NAME:	PEERY FED
WELL NUMBER:	#2
TEST NUMBER:	1
LOCATION:	
TEST OPERATOR:	KELTIC SERVICES
COMMENTS:	4 pt. W/ BOMBS @ 9800 ft., PRESS. EXTRAP. TO MID PERFS.

PAGE START DATE: 4/23/94 GAUGE S/N: 29353

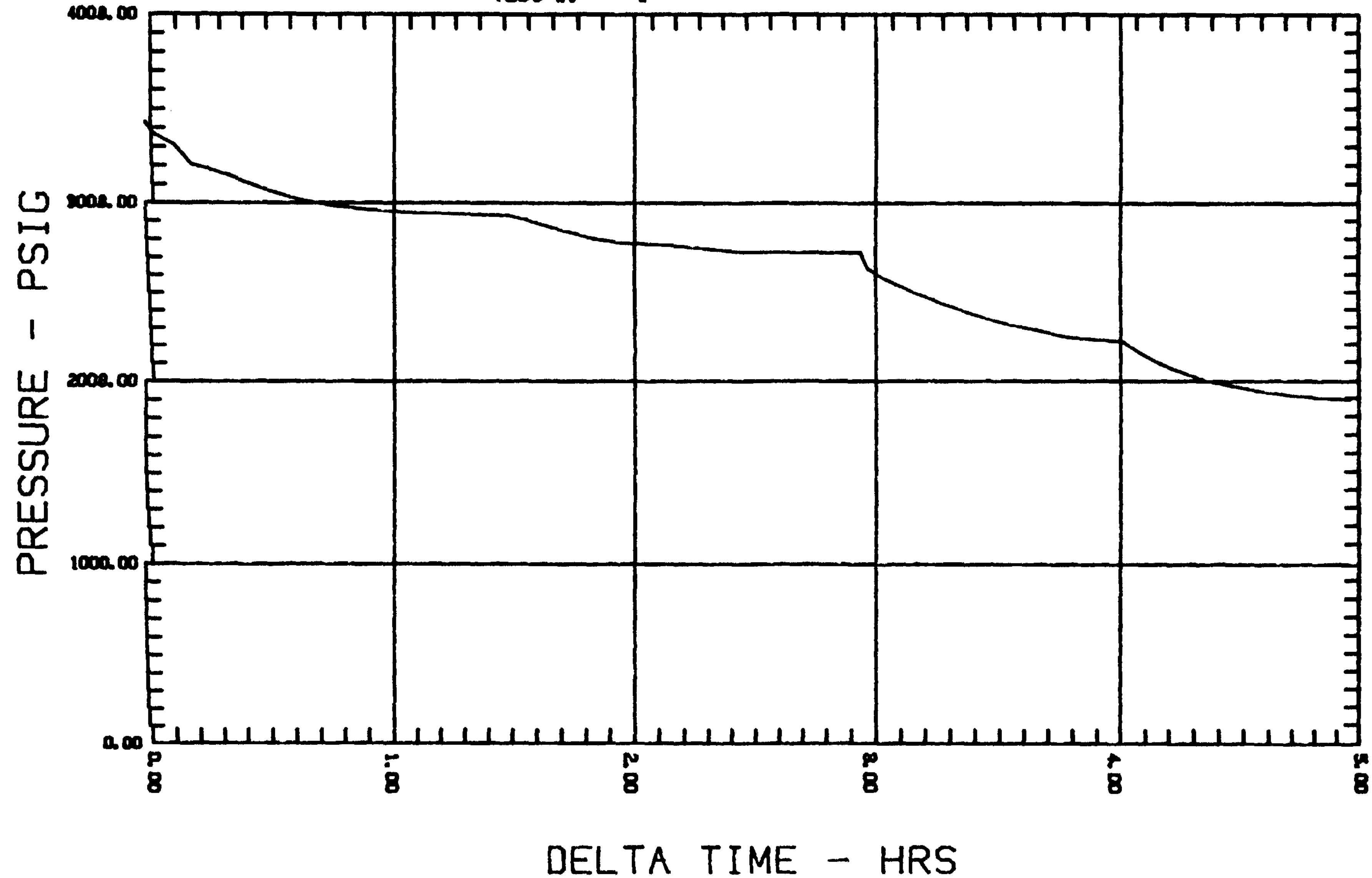
DATA FILE: 11

DATA POINT	REAL TIME	DELTA TIME HRS	DEFLECTION IN	PRESSURE PSIG	COMMENTS
1	13:32:12	0.000	1.1424	3427.27	START FLOW WEL
2	13:34:14	0.034	1.1240	3371.84	
3	13:39:20	0.119	1.1039	3311.29	
4	13:41:36	0.157	1.0878	3262.79	
5	13:43:53	0.195	1.0685	3204.65	
6	13:48: 1	0.264	1.0611	3182.36	
7	13:53: 3	0.348	1.0498	3148.32	
8	13:59: 0	0.447	1.0328	3097.11	
9	14: 4:49	0.544	1.0180	3052.52	
10	14:11:12	0.650	1.0050	3013.36	
11	14:19:27	0.788	0.9938	2979.62	
12	14:26:10	0.899	0.9878	2961.55	
13	14:36:41	1.075	0.9819	2943.77	
14	14:48:13	1.267	0.9795	2936.54	
15	14:58:55	1.445	0.9769	2928.71	
16	15: 3:27	1.521	0.9765	2927.51	END FIRST RATE
17	15: 7:39	1.591	0.9686	2903.71	
18	15:13:11	1.683	0.9558	2865.15	
19	15:18: 1	1.764	0.9462	2836.23	
20	15:23:54	1.862	0.9345	2800.98	
21	15:31: 4	1.981	0.9265	2776.88	
22	15:43: 2	2.181	0.9220	2763.32	
23	15:51:48	2.327	0.9159	2744.95	
24	15:59: 0	2.447	0.9107	2729.28	
25	16: 2:14	2.501	0.9091	2724.46	END SECOND RATE
26	16: 9:53	2.628	0.9091	2724.46	SHUT-IN WELL
27	16:18:17	2.768	0.9091	2724.46	TO CHANGE PLATE
28	16:26:14	2.901	0.9091	2724.46	IN METER RUN
29	16:27:57	2.929	0.9091	2724.46	START
30	16:30:24	2.970	0.9091	2724.46	THIRD RATE
31	16:32:14	3.001	0.8781	2631.07	
32	16:36:24	3.070	0.8596	2575.34	
33	16:41:14	3.151	0.8415	2520.81	
34	16:47:49	3.260	0.8200	2456.03	
35	16:56:14	3.401	0.7969	2386.44	
36	17: 5:28	3.554	0.7765	2324.98	
37	17:13:23	3.686	0.7639	2287.02	
38	17:21:20	3.819	0.7492	2242.73	
39	17:30:15	3.968	0.7434	2225.26	
40	17:34:53	4.045	0.7409	2217.73	END THIRD RATE
41	17:38:42	4.108	0.7211	2158.07	
42	17:43:29	4.188	0.7004	2095.71	
43	17:49:20	4.286	0.6830	2043.29	
44	17:55:48	4.393	0.6671	1995.38	
45	18: 4:34	4.539	0.6532	1953.50	
46	18:12:57	4.679	0.6435	1924.28	
47	18:20: 5	4.798	0.6385	1909.22	
48	18:25:55	4.895	0.6354	1899.88	
49	18:29:53	4.961	0.6347	1897.77	END FOURTH RAT

Plot starting date: 4/23/94
time: 13:32:12
Gauge S/N 29353

Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #2
Test #: 1

Location:
Operator: KELTIC SERVICES
Comments: 4 pt. W/ BOMBS @ 9800 ft..
PRESS. EXTRAP. TO MID PERFS.



COMPANY:	PALOMA RESOURCES
CLIENT:	GENE LEE
GAUGE NUMBER:	29353
WELL NAME:	PEERY FED
WELL NUMBER:	#2
TEST NUMBER:	1
LOCATION:	
TEST OPERATOR:	KELTIC SERVICES
COMMENTS:	FLG. GRAD. RUN BEFORE S.I. FOR B.U..FLG. PRESS.= 790-860 psig

PAGE START DATE: 4/20/94 GAUGE S/N: 29353

DATA FILE: 8

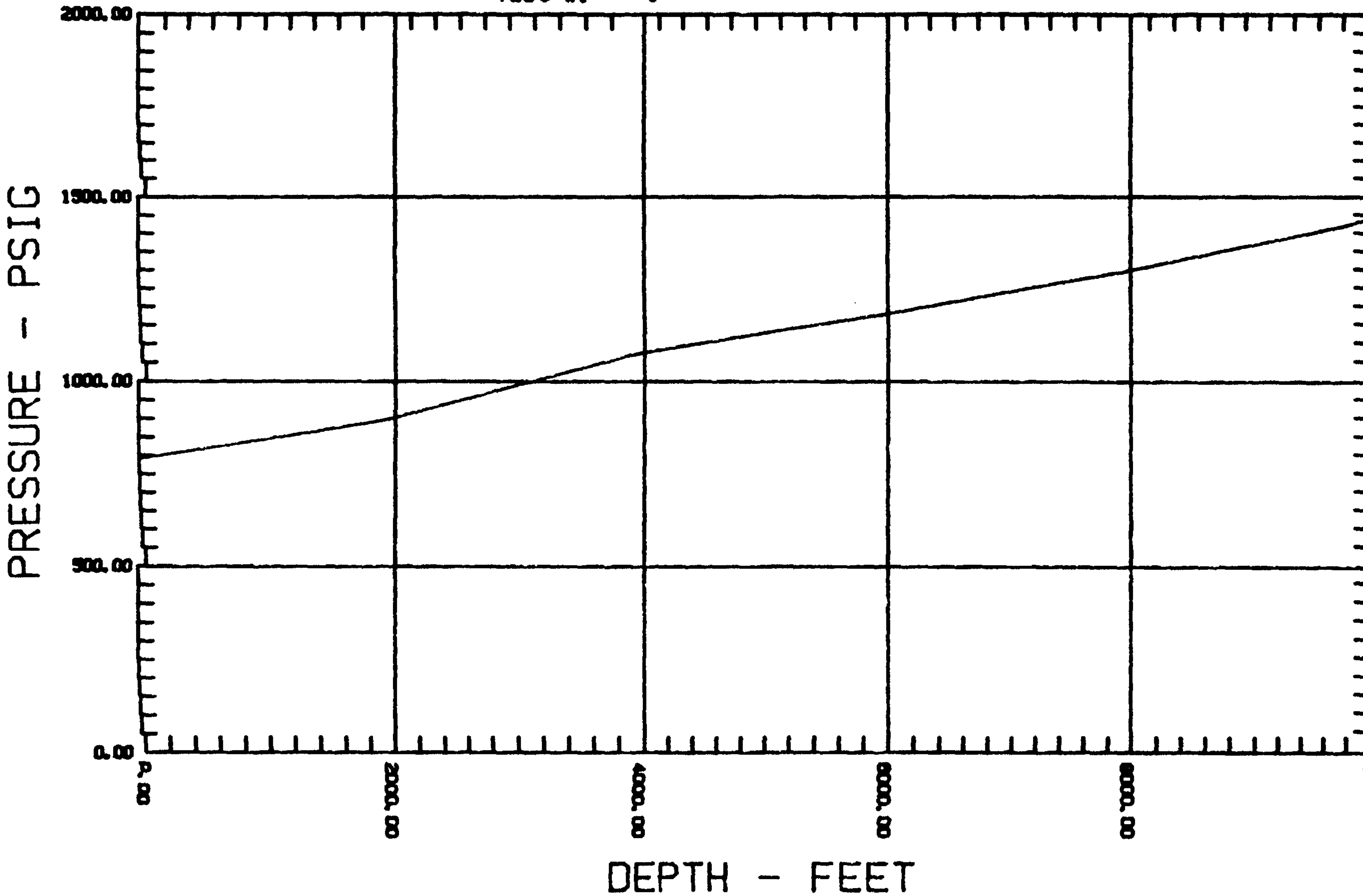
TIME	DELTA TIME HRS	DEPTH FEET	DEFLECTION IN	PRESSURE PSIG	COMMENTS
10:30: 0	0.000	0.00	0.2675	791.38	
10:41:24	0.190	2000.00	0.3030	897.74	0.053 PSI/FT
11: 9:34	0.659	4000.00	0.3610	1072.51	0.087 PSI/FT
11:29: 5	0.985	6000.00	0.3960	1177.36	0.052 PSI/FT
11:48: 6	1.302	8000.00	0.4350	1296.98	0.060 PSI/FT
12: 8: 9	1.636	9500.00	0.4690	1399.12	0.068 PSI/FT
12:20: 4	1.834	9800.00	0.4770	1421.12	0.073 PSI/FT
12:30:16	2.004	10000.00	0.4860	1439.74	0.093 PSI/FT

pressure @ 10,000 ft. was extrapolated

Plot starting date: 4/20/94
time: 10:30: 0
Gauge S/N 29353

Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #2
Test #: 1

Location:
Operator: KELTIC SERVICES
Comments: FLG. GRAD. RUN BEFORE S.I. FOR B.U., FLG. PRESS. = 790-860 psig



COMPANY:	PALOMA RESOURCES
CLIENT:	GENE LEE
GAUGE NUMBER:	29353
WELL NAME:	PEERY FED
WELL NUMBER:	#2
TEST NUMBER:	1
LOCATION:	
TEST OPERATOR:	KELTIC SERVICES
COMMENTS:	65.5 hr. B.U..BOMBS HUNG@ 9800 ft.,PRESS.EXTRAP.TO MID-PERF

PAGE START DATE: 4/20/94 GAUGE S/N: 29353

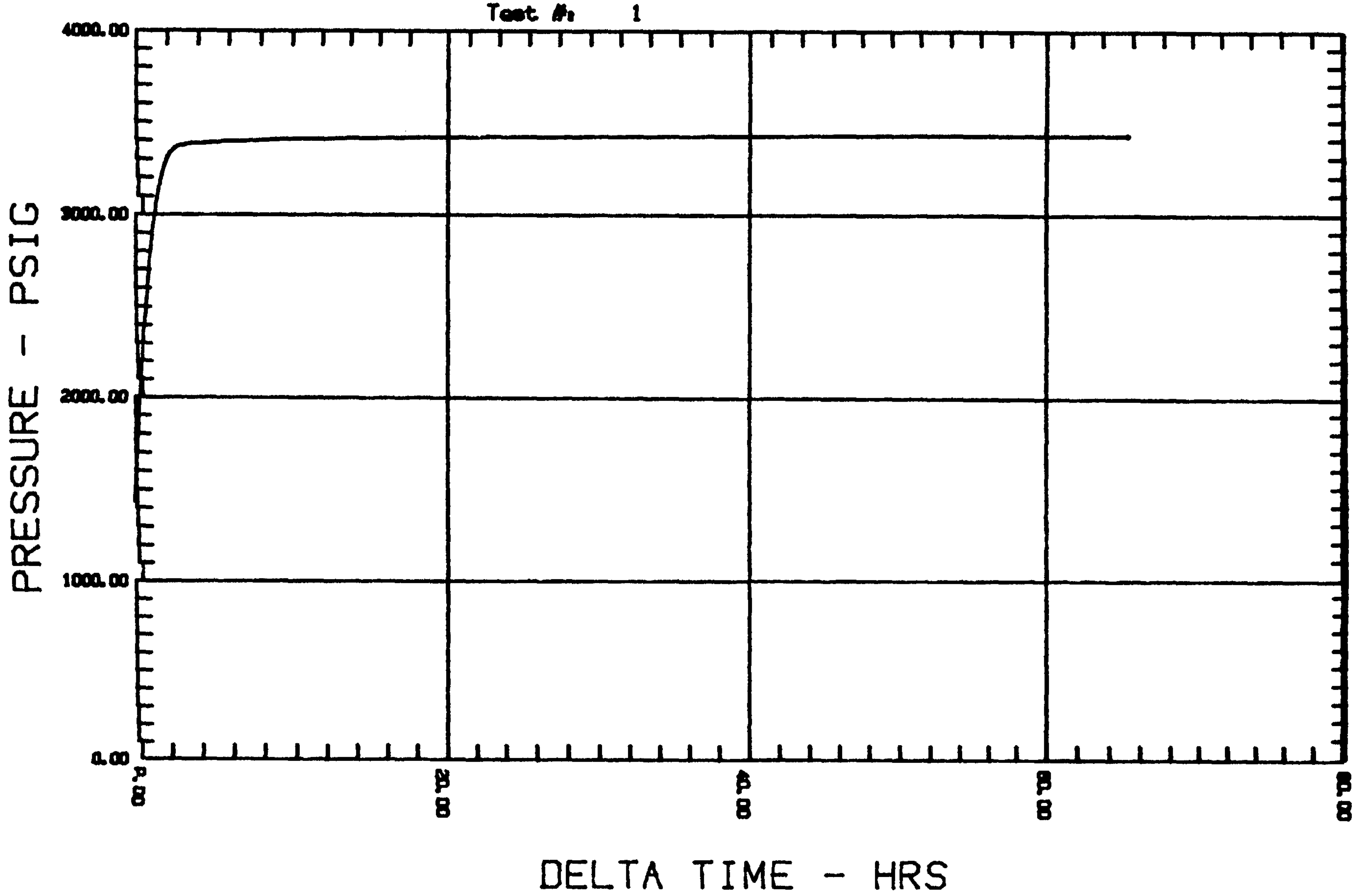
DATA FILE: 7

DATA POINT	REAL TIME	DELTA TIME HRS	DEFLECTION IN	PRESSURE PSIG	COMMENTS
1	15:30: 0	0.000	0.4817	1436.79	WELL SHUT-IN
2	15:33:14	0.054	0.4979	1485.60	
3	15:39:52	0.164	0.5493	1640.46	
4	15:46:21	0.273	0.6166	1843.23	
5	15:51:37	0.360	0.6681	1998.40	
6	15:58:47	0.480	0.7232	2164.40	
7	16: 5:56	0.599	0.7904	2366.86	
8	16:11:23	0.690	0.8189	2452.72	
9	16:16:19	0.772	0.8459	2534.06	
10	16:23:49	0.897	0.8895	2665.41	
11	16:31:29	1.025	0.9381	2811.82	
12	16:36:35	1.110	0.9601	2878.10	
13	16:40:51	1.181	0.9781	2932.33	
14	16:47: 9	1.286	1.0028	3006.73	
15	16:53:58	1.399	1.0255	3075.12	
16	17: 1: 7	1.519	1.0427	3126.93	
17	17: 9:38	1.661	1.0632	3188.69	
18	17:16:27	1.774	1.0746	3223.03	
19	17:24: 7	1.902	1.0870	3260.38	
20	17:28:53	1.981	1.0924	3276.65	
21	17:34:51	2.081	1.1000	3299.55	
22	17:41:50	2.197	1.1060	3317.62	
23	17:49:50	2.331	1.1117	3334.79	
24	17:58:52	2.481	1.1155	3346.24	
25	18: 6:11	2.603	1.1197	3358.89	
26	18:20: 9	2.836	1.1233	3369.73	
27	18:39:34	3.159	1.1254	3376.06	
28	19: 7:10	3.619	1.1287	3386.00	
29	20:21:36	4.860	1.1294	3388.11	
30	21:19:20	5.822	1.1327	3398.05	
31	22:29: 0	6.983	1.1327	3398.05	
32	23:55:52	8.431	1.1347	3404.07	
33	1:51:52	10.364	1.1363	3408.89	
34	3:27:15	11.954	1.1363	3408.89	
35	5:56: 7	14.435	1.1377	3413.11	
36	8:43:23	17.223	1.1383	3414.92	
37	11:55:20	20.422	1.1393	3417.93	
38	14:42:16	23.204	1.1400	3420.04	
39	19:50: 3	28.334	1.1405	3421.55	
40	0:40:17	33.171	1.1412	3423.66	
41	6:49: 3	39.318	1.1418	3425.46	
42	13:31: 1	46.017	1.1424	3427.27	
43	16:31:55	49.032	1.1424	3427.27	
44	19:25:59	51.933	1.1424	3427.27	
45	23:49:40	56.328	1.1424	3427.27	
46	3:23: 5	59.885	1.1424	3427.27	
47	6:32: 9	63.036	1.1424	3427.27	
48	8:15:53	64.765	1.1424	3427.27	
49	9: 0:30	65.508	1.1424	3427.27	

Plot starting date: 4/20/94
time: 15:30: 0
Gauge S/N 29353

Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #2
Test #: 1

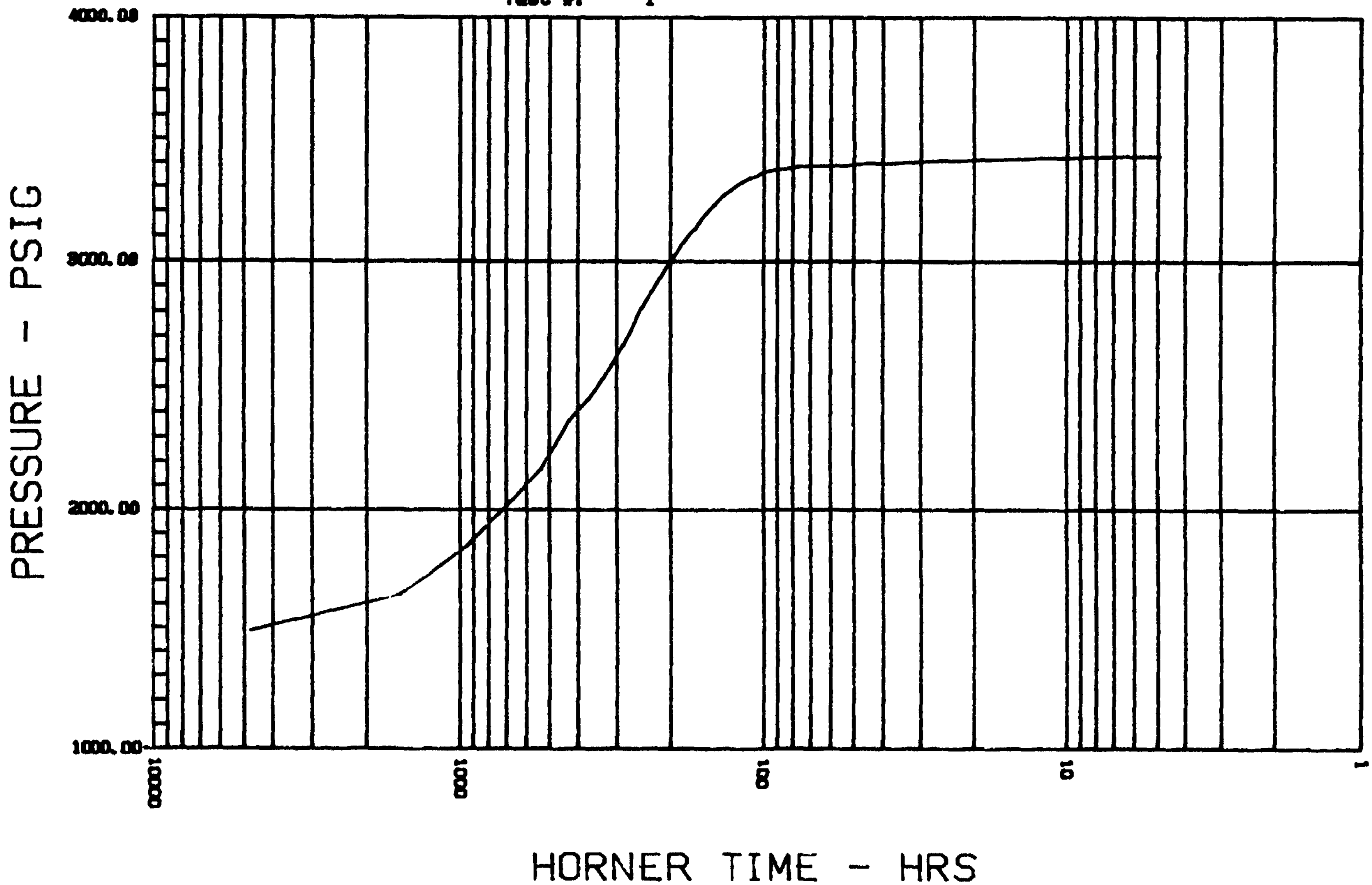
Location:
Operator: KELTIC SERVICES
Comments: 65.5 hr. B.U., BOMBS HUNG@ 9800 ft., PRESS. EXTRAP. TO MID-PERF



Plot starting date: 4/20/94
time: 15:30: 0
Gauge S/N 29353
Flow time: 240.000 HRS

Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #2
Test #: 1

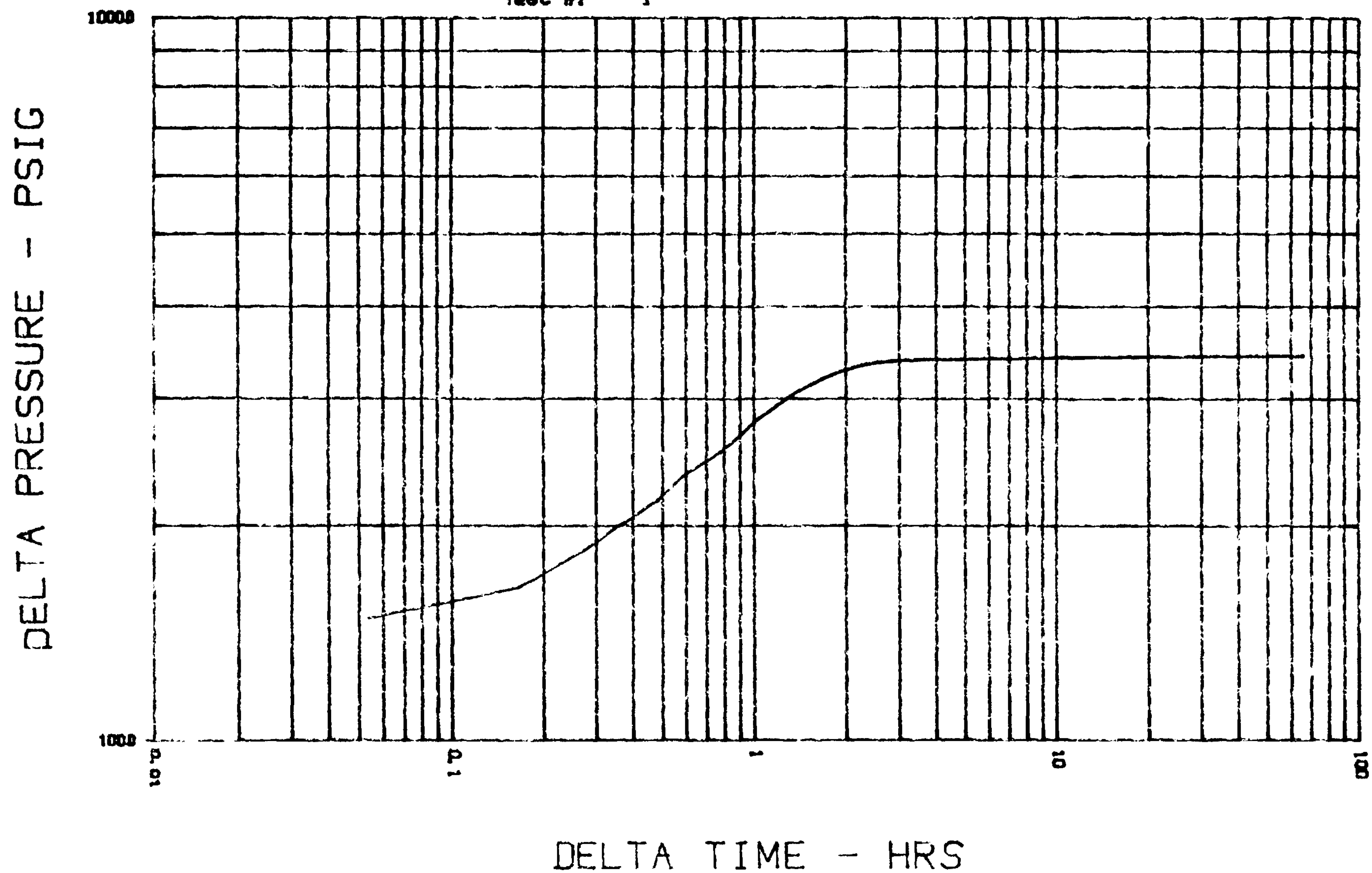
Location:
Operator: KELTIC SERVICES
Comments: 65.5 hr. B.U., BOMBS HUNG@ 9800 FT., PRESS. EXTRAP. TO MID-PERFS



Plot starting date: 4/20/94
time: 15:30: 0
Gauge S/N 29353

Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #2
Test #: 1

Location:
Operator: KELTIC SERVICES
Comments: 85.5 hr. B.U., BOMBS HUNG@ 9800 FT., PRESS. EXTRAP. TO MID-PERFS



COMPANY:	PALOMA RESOURCES
CLIENT:	GENE LEE
GAUGE NUMBER:	29353
WELL NAME:	PEERY FED
WELL NUMBER:	#2
TEST NUMBER:	1
LOCATION:	
TEST OPERATOR:	KELTIC SERVICES
COMMENTS:	STATIC W/ GRAD. STOPS RUN AFTR B.U..SURFACE PRESS.= 2055 psig

PAGE START DATE: 4/23/94 GAUGE S/N: 29353

DATA FILE: 10

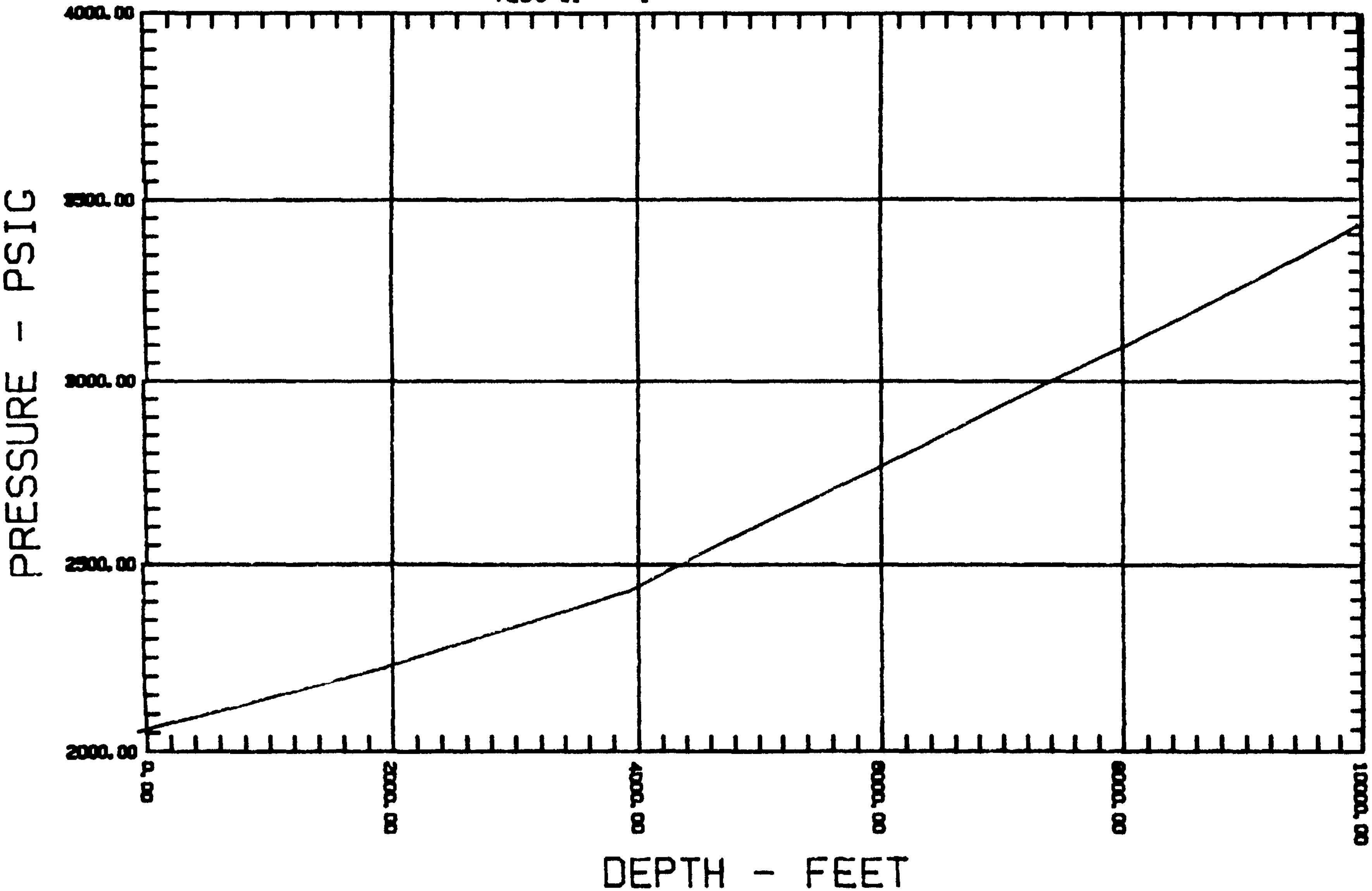
TIME	DELTA TIME HRS	DEPTH FEET	DEFLECTION IN	PRESSURE PSIG	COMMENTS
9: 0: 0	0.000	0.00	0.6850	2054.31	
9:20:23	0.340	2000.00	0.7410	2222.13	0.084 PSI/FT
9:40:34	0.676	4000.00	0.8100	2430.91	0.104 PSI/FT
10: 0:49	1.014	6000.00	0.9240	2758.14	0.164 PSI/FT
10:21:40	1.361	8000.00	1.0400	3085.40	0.164 PSI/FT
10:38:14	1.637	9500.00	1.1180	3337.86	0.168 PSI/FT
10:48:50	1.814	9800.00	1.1310	3389.43	0.172 PSI/FT
10:58:15	1.971	10000.00	1.1420	3427.27	0.189 PSI/FT

Pressure @ 10,000 ft. was extrapolated

Plot starting date: 4/23/94
time: 9: 0: 0
Gauge S/N 29353

Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #2
Test #: 1

Location:
Operator: KELTIC SERVICES
Comments: STATIC W/ GRAD. STOPS RUN AFTR
B.U., SURFACE PRESS. = 2055 psig



s3B
s0B

"Let your interest in measurement be our concern" D06

PRECISION SERVICE, INC.

P.O. Box 3659 * Casper, Wyoming 82602 * (307) 237-9327

P.O. Box 2604 * Roswell, New Mexico 88201 * (505) 622-9874

Analysis Results Summary

Run No. 940502-2
Date Run 05/02/94
Date Sampled 04/28/94

Analysis for PALOMA RESOURCES
Field:
Well Name: PERRY FED #3
Sta. Number:
Purpose: SPOT
Sampling Temp: 60 DEG F
Volume/day:
Pressure on Cylinder: 180 PSIG

GPANGL.L50

Producer: PALOMA RESOURCES
County: CHAVES State: NM
Sampled By: BOB FARMER
Atmos Temp: 60 DEG F
Formation:
Line Pressure: 193.2 PSIA

GAS COMPONENT ANALYSIS

		Mol %	GPM
Carbon Dioxide	CO2	0.106	
Nitrogen	N2	2.503	
Methane	C1	74.472	12.623
Ethane	C2	11.491	3.073
Propane	C3	7.101	1.957
Iso-Butane	IC4	1.097	0.359
Nor-Butane	NC4	2.310	0.728
Iso-Pentane	IC5	0.414	0.151
Nor-Pentane	NC5	0.302	0.109
Hexanes Plus	C6+	0.204	0.088
TOTAL		100.000	19.088

Pressure Base:	14.730
Real BTU Dry:	1287
Real BTU Wet:	1265
Real Calc. Specific Gravity:	0.761
Field Specific Gravity:	0.000
Standard Pressure:	14.696
BTU Dry:	1284
BTU Wet:	1262
Z Factor:	0.9962
N Value:	1.2745
Avg Mol Weight:	21.9661
Avg CuFt/Gal:	54.4678
26 Lb Product:	0.4970
Methane+ GPM:	19.088
Ethane+ GPM:	6.466
Propane+ GPM:	3.392
Butane+ GPM:	1.436
Pentane+ GPM:	0.349

REMARKS:
H2S ON LOCATION: NONE DETECTED

Approved by: JEFF DECK

Mon May 02 15:01:46 1994

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 9

Pantechs Laboratories, Inc.

806-797-4325 • P. O. Box 64489 • Lubbock, TX 79464-4489
806-669-6821 • P. O. Box 2439 • Pampa, TX 79066-2439

LIQUID / LPG EXTENDED FRACTIONAL ANALYSIS

SAMPLE ID

Customer...... Paloma Resources

Station No.... N/A
Producer...... Paloma Resources
Lease......... Peery Federal #3
Sample Of..... Oil/Condensate

Presure....... N/A
Temperature... N/A
Sample Date... N/A (rec'd.5/02/94)
Sample Time... N/A
Sampled By.... Paloma Resources
Analysis Date. 05/06/94
Analysis By... JSN
Sample Cyl.No. Plastic Bottle

Sample Color.. Dark Honey

COMPONENT		Mol %	Liq.Vol%	Wt.%
Nitrogen	N2	0.0000	0.0000	0.0000
Carbon D.	CO2	0.0000	0.0000	0.0000
Hyd.Sulf.	H2S	-----	-----	-----
Oxygen	O2	0.0000	0.0000	0.0000
Helium	He	-----	-----	-----
Hydrogen	H2	-----	-----	-----
Argon	Ar	-----	-----	-----
Methane	C1	0.0000	0.0000	0.0000
Ethane	C2	0.0000	0.0000	0.0000
Propane	C3	0.0002	0.0001	0.0001
i-Butane	iC4	0.4286	0.2602	0.1941
n-Butane	nC4	1.6676	0.9759	0.7552
i-Pentane	iC5	1.4183	0.9637	0.7973
n-Pentane	nC5	1.9580	1.3163	1.1007
* Hexanes+	C6+	94.5273	96.4838	97.1526
	Totals:	100.0000	100.0000	100.0000

SPECIFIC GRAVITY
Relative Density, 60F/60F........ 0.7547

MOLECULAR WEIGHT
Molar Mass........................ 128.344

VAPOR PRESSURE
Absolute @ 100 F, (psia)......... 3.0

CALCULATIONS / METHODS
14.65 psia & 60 F
Applicable current GPA methods, procedures, and constants are used.

DISTRIBUTION
Paloma Resources
2-Bill Hanson; Roswell, NM
1-FAX: 505-625-2512, Bill Hanson

* Hexanes+ Composition On Page 2

• significantly heavier than #2

#13 Well

REMARKS / COMMENTS / OTHER

Pantechs Laboratories, Inc.

806-797-4325 • P. O. Box 64489 • Lubbock, TX 79464-4489
806-669-6621 • P. O. Box 2439 • Pampa, TX 79066-2439

Hexanes + Fractional Analysis

Customer...... Paloma Resources — Sample Date... N/A (rec'd 5/02/94)

Lease........ Peery Federal #3 — Sample Cyl.No. Plastic Bottle

#	Type	Component	Mol %	Liq.Vol%	Wt.%
		Hexanes (C6s)			
1	A	Benzene	0.41120	0.21362	0.25027
2	PN	2,3-Dimethylbutane + Cyclopentane	0.67093	0.43625	0.40867
3	N	Methylcyclopentane	2.48130	1.62967	1.62710
4	N	Cyclohexane	5.62052	3.46700	3.62006
5	P	2,2-Dimethylbutane	0.11667	0.09040	0.07634
6	P	2-Methylpentane	1.66947	1.28582	1.12097
7	P	3-Methylpentane	1.10927	0.84993	0.75347
8	P	n-Hexane (nC6)	3.27237	2.55582	2.24824
		C6 Totals:	15.25173	10.54821	10.10702
		Heptanes (C7s)			
9	A	Toluene	3.13471	1.94799	2.25048
10	N	1,1-Dimethylcyclopentane	0.28047	0.21327	0.21467
11	N	1,c-3-Dimethylcyclopentane	0.56402	0.43443	0.43150
12	N	1,t-3-Dimethylcyclopentane	0.49293	0.37770	0.37711
13	N	1,t-2-Dimethylcyclopentane	0.73530	0.56138	0.56253
14	N	Methylcyclohexane	9.07284	6.76781	6.94117
15	N	Ethylcyclopentane	0.23162	0.17336	0.17712
16	P	2,2,3-Trimethylbutane	0.02627	0.02398	0.02207
17	P	2,2-Dimethylpentane	0.08858	0.07694	0.06916
18	P	2,4-Dimethylpentane	0.15073	0.13112	0.11768
19	P	3,3-Dimethylpentane	0.06053	0.05111	0.04726
20	P	2,3-Dimethylpentane	0.31112	0.26203	0.24291
21	P	2-Methylhexane	1.25219	1.08008	0.97764
22	P	3-Methylhexane	1.38672	1.18138	1.08268
23	P	n-Heptane (nC7)	3.65615	3.13009	2.85463
		C7 Totals:	21.44615	16.41264	16.36841
		Octanes (C8s)			
24	A	Ethylbenzene	0.70827	0.50721	0.58589
25	A	m + p-Xylene	3.03837	2.18707	2.51338
26	A	o-Xylene	0.86035	0.60710	0.71169
27	N	1,1,3-Trimethylcyclopentane	0.44018	0.38580	0.38487
28	N	1,t-2,c-4-Trimethylcyclopentane	0.31106	0.27301	0.27196
29	N	1,t-2,c-3-Trimethylcyclopentane	0.19728	0.17171	0.17249
30	N	1,c-2,t-4 + 1,c-2,c-4-TMCYC5	0.11693	0.09994	0.10223
31	N	1-Methyl-t-3-Ethylcyclopentane	0.27341	0.22569	0.23905
32	N	1-Methyl-1-Ethylcyclopentane	0.03536	0.02880	0.03092
33	N	1-Methyl-t-2-Ethylcyclopentane	0.08695	0.07186	0.07602
34	N	1-Methyl-c-3-Ethylcyclopentane	0.15957	0.13339	0.13952
35	N	1,t-4-Dimethylcyclohexane	1.67847	1.44380	1.46764
36	N	1,c-3-Dimethylcyclohexane	0.66614	0.57054	0.58243
37	N	t-1,2-Dimethylcyclohexane	0.74757	0.63217	0.65363
38	N	c-1,4-Dimethylcyclohexane	0.00000	0.00000	0.00000
39	N	1,t-3-Dimethylcyclohexane	0.51132	0.42760	0.44708
40	N	1,c-2-Dimethylcyclohexane	0.43397	0.36764	0.37943
41	N	Ethylcyclohexane	1.62603	1.36429	1.42169
42	P	2,2,3-TMC5 + 2,4 & 2,5-DMC6	0.22434	0.21284	0.19967
43	P	2,3,4-Trimethylpentane	0.01277	0.01168	0.01137
44	P	2,3-Dimethylhexane	0.16841	0.15790	0.14988
45	P	3,4-Dimethylhexane	0.09788	0.09087	0.08712
46	P	2-Methylheptane	1.25989	1.20525	1.12136
47	P	4-Methylheptane	0.41406	0.39232	0.36853
48	P	3-Methylheptane	1.11480	1.05448	0.99221
49	P	n-Octane (nC8)	2.69452	2.56014	2.39823
		C8 Totals:	17.87790	16.16336	16.50816

#	Type	Component	Mol %	Liq.Vol%	Wt.%
		Nonenes (C9s)			
50	A	Isopropylbenzene	0.20046	0.16363	0.18773
51	A	n-Propylbenzene	0.41718	0.34026	0.39066
52	A	m-Ethyltoluene	0.58026	0.47192	0.54341
53	A	p-Ethyltoluene	0.23668	0.19316	0.22158
54	A	o-Ethyltoluene	0.38370	0.30641	0.35934
55	A	1,3,5-Trimethylbenzene	0.34436	0.27987	0.32248
56	A	1,2,4-Trimethylbenzene	0.89316	0.79743	0.83009
57	A	1,2,3-Trimethylbenzene	0.37650	0.29618	0.35269
58	N	1,1,4-Trimethylcyclohexane	0.54549	0.52184	0.53858
59	N	1,c-3,c-5-Trimethylcyclohexane	0.28476	0.27318	0.28010
60	N	1,1,2-Trimethylcyclohexane	0.10225	0.09440	0.10058
61	N	1,c-2,c-4-Trimethylcyclohexane	0.05828	0.05487	0.05733
62	P	2,2,4-Trimethylhexane	0.04780	0.05019	0.04767
63	P	2,4,4-Trimethylhexane	0.04194	0.04348	0.04181
64	P	2,3,5-Trimethylhexane	0.06864	0.07118	0.06849
65	P	2,2,3-Trimethylhexane	0.16832	0.17636	0.16821
66	P	2,2-Dimethylheptane	0.11895	0.12859	0.11987
67	P	3,4-Dimethylheptane	0.07436	0.07823	0.07430
68	P	2 + 4-Methyloctane	0.53188	0.55612	0.53183
69	P	3-Methyloctane	0.62733	0.65302	0.62892
70	P	n-Nonane (nC9)	2.26733	2.37148	2.26581
71		Unidentified C9s	4.92510	5.15129	4.92181
		C9 Totals:	13.39581	13.06866	13.14817
		Decanes (C10s)			
72	P	n-Decane (nC10)	1.79767	2.04846	1.99283
73		Unidentified C10s	5.00938	5.70850	5.55349
		C10 Totals:	6.80693	7.75696	7.54632
		Undecanes (C11s)			
74	P	n-Undecane (nC11)	1.43524	1.77269	1.74800
75		Unidentified C11s	3.51680	4.34367	4.28317
		C11 Totals:	4.95204	6.11636	6.03117
		Dodecanes (C12s)			
76	P	n-Dodecane (nC12)	0.96437	1.28334	1.27992
77		Unidentified C12s	4.14799	5.51994	5.50522
		C12 Totals:	5.11236	6.80328	6.78514
		Tridecanes (C13s)			
78	P	n-Tridecane (nC13)	0.78887	1.12552	1.13321
79		Unidentified C13s	2.38066	3.39658	3.41981
		C13 Totals:	3.16953	4.52211	4.55302
		Tetradecanes (C14s)			
80	P	n-Tetradecane (nC14)	0.69192	1.06332	1.06966
81		Unidentified C14s	1.80092	2.74159	2.76363
		C14 Totals:	2.49284	3.76491	3.86330
		Pentadecanes + (C15+)			
82		C15 +	4.02218	12.29742	13.25080
		Total Hexanes + :	94.52730	95.48380	97.15260
		Hexanes + Molecular Weight	131.906		
		Hexanes + Specific Gravity (60/60)	0.7599		
		Hexanes + Vapor Pressure @ 100 F	1.2963		

Hydrocarbon Types

- A — Aromatic (Benzene Derivative)
- N — Naphthene (Cycloparaffin, Cycloalkane, Cyclane)
- P — Paraffin (Alkane)

s3B
s0B

"Let your interest in measurement be our concern" DOS

PRECISION SERVICE, INC.

P.O. Box 3659 * Casper, Wyoming 82602 * (307) 237-9327 Run No. 940502-1

P.O. Box 2604 * Roswell, New Mexico 88201 * (505) 622-9874 Date Run 05/02/94

Analysis Results Summary Date Sampled 04/28/94

Analysis for PALOMA RESOURCES GPANGL.L50
Field:
Well Name: PERRY FED #2
Sta. Number:
Purpose: SPOT
Sampling Temp: 60 DEG F
Volume/day:
Pressure on Cylinder: 23 PSIG

Producer: PALOMA RESOURCES
County: CHAVES State: NM
Sampled By: BOB FARMER
Atmos Temp: 60 DEG F
Formation:
Line Pressure: 36.2 PSIA

GAS COMPONENT ANALYSIS

		Mol %	GPM
Carbon Dioxide	CO2	1.729	
Nitrogen	N2	2.394	
Hydrogen Sulfide	H2S	0.005	
Methane	C1	55.344	9.381
Ethane	C2	14.669	3.929
Propane	C3	12.114	3.338
Iso-Butane	IC4	3.289	1.076
Nor-Butane	NC4	6.079	1.917
Iso-Pentane	IC5	1.985	0.726
Nor-Pentane	NC5	1.450	0.525
Hexanes Plus	C6+	0.922	0.396
TOTAL		100.000	21.288

Pressure Base:	14.730
Real BTU Dry:	1617
Real BTU Wet:	1589
Real Calc. Specific Gravity:	1.002
Field Specific Gravity:	0.000
Standard Pressure:	14.696
BTU Dry:	1613
BTU Wet:	1585
Z Factor:	0.9931
N Value:	1.2411
Avg Mol Weight:	28.8406
Avg CuFt/Gal:	49.8328
26 Lb Product:	2.3423
Methane+ GPM:	21.288
Ethane+ GPM:	11.907
Propane+ GPM:	7.978
Butane+ GPM:	4.640
Pentane+ GPM:	1.648

REMARKS:
H2S ON LOCATION: 0.0045 % = 45 PPM

Approved by: JEFF DECK

Mon May 02 15:00:38 1994

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 10

Pantechs Laboratories, Inc.
806-797-4325 • P. O. Box 64489 • Lubbock, TX 79464-4489
806-669-6621 • P. O. Box 2439 • Pampa, TX 79066-2439

LIQUID / LPG EXTENDED FRACTIONAL ANALYSIS

SAMPLE ID

Customer...... Paloma Resources

Station No.... N/A
Producer...... Paloma Resources
Lease......... Peery Federal #2
Sample Of..... Oil/Condensate

Presure....... N/A
Temperature... N/A
Sample Date... N/A (rec'd.5/02/94)
Sample Time... N/A
Sampled By.... Paloma Resources
Analysis Date. 05/06/94
Analysis By... JSH
Sample Cyl.No. Plastic Bottle

Sample Color.. light yellow

COMPONENT

COMPONENT		Mol %	Liq.Vol%	Wt.%
Nitrogen	N_2	0.0000	0.0000	0.0000
Carbon D.	CO_2	0.0000	0.0000	0.0000
Hyd.Sulf.	H_2S	-----	-----	-----
Oxygen	O_2	0.0000	0.0000	0.0000
Helium	He	-----	-----	-----
Hydrogen	H_2	-----	-----	-----
Argon	Ar	-----	-----	-----
Methane	C1	0.0000	0.0000	0.0000
Ethane	C2	0.0000	0.0000	0.0000
Propane	C3	0.0012	0.0006	0.0004
i-Butane	iC4	1.1790	0.7488	0.5688
n-Butane	nC4	4.4555	2.7273	2.1495
i-Pentane	iC5	3.5763	2.5418	2.1417
n-Pentane	nC5	4.8545	3.4136	2.9072
* Hexanes+	C6+	85.9335	90.5679	92.2324
Totals:		100.0000	100.0000	100.0000

SPECIFIC GRAVITY

Relative Density, 60F/60F........ 0.7410

MOLECULAR WEIGHT

Molar Mass...................... 120.479

VAPOR PRESSURE

Absolute @ 100 F, (psia)......... 6.0

CALCULATIONS / METHODS

14.65 psia & 60 F
Applicable current GPA methods, procedures, and constants are used.

DISTRIBUTION

Paloma Resources
2-Bill Hanson; Roswell, NM
1-FAX: 505-625-2512, Bill Hanson

* Hexanes+ Composition On Page 2

REMARKS / COMMENTS / OTHER

Pantechs Laboratories, Inc.

806-797-4325 • P. O. Box 64489 • Lubbock, TX 79464-4489
806-669-5821 • P. O. Box 2439 • Pampa, TX 79066-2439

Hexanes + Fractional Analysis

Customer...... Paloma Resources | Sample Date... N/A (rec'd.5/02/94)

Lease......... Perry Federal #2 | Sample Cyl.No. Plastic Bottle

#	Type	Component	Mol %	Liq.Vol%	Wt.%
		Hexanes (C6s)			
1	A	Benzene	0.44018	0.23908	0.28539
2	PN	2,3-Dimethylbutane + Cyclopentane	0.91774	0.62417	0.59635
3	N	Methylcyclopentane	2.87403	1.87444	2.00767
4	N	Cyclohexane	5.62483	3.71631	3.92925
5	P	2,2-Dimethylbutane	0.17936	0.14537	0.12629
6	P	2-Methylpentane	2.46907	1.98913	1.76610
7	P	3-Methylpentane	1.57034	1.25654	1.13628
8	P	n-Hexane (nC6)	4.45169	3.63656	3.25614
		C6 Totals:	18.52723	13.58359	13.10847
		Heptanes (C7s)			
9	A	Toluene	2.39347	1.55576	1.83057
10	N	1,1-Dimethylcyclopentane	0.34483	0.27428	0.28103
11	N	1,c-3-Dimethylcyclopentane	0.60924	0.49085	0.49652
12	N	1,t-3-Dimethylcyclopentane	0.54194	0.43436	0.44167
13	N	1,t-2-Dimethylcyclopentane	0.78898	0.62763	0.64054
14	N	Methylcyclohexane	7.90842	6.17049	6.44522
15	N	Ethylcyclopentane	0.27395	0.21455	0.22326
16	P	2,2,3-Trimethylbutane	0.02941	0.02610	0.02446
17	P	2,2-Dimethylpentane	0.10821	0.09832	0.09000
18	P	2,4-Dimethylpentane	0.17611	0.15934	0.14654
19	P	3,3-Dimethylpentane	0.07006	0.06186	0.05826
20	P	2,3-Dimethylpentane	0.32278	0.28436	0.26847
21	P	2-Methylhexane	1.36060	1.22776	1.13180
22	P	3-Methylhexane	1.48339	1.32186	1.23376
23	P	n-Heptane (nC7)	3.73269	3.34261	3.10464
		C7 Totals:	20.14026	16.29014	16.41668
		Octanes (C8s)			
24	A	Ethylbenzene	0.45710	0.34239	0.40280
25	A	m + p-Xylene	2.02552	1.52607	1.78491
26	A	o-Xylene	0.53314	0.39361	0.46980
27	N	1,1,3-Trimethylcyclopentane	0.38072	0.34904	0.35461
28	N	1,t-2,c-4-Trimethylcyclopentane	0.32299	0.29653	0.30084
29	N	1,t-2,c-3-Trimethylcyclopentane	0.20660	0.18810	0.19243
30	N	1,c-2,t-4 + 1,c-2,c-4-TMCYC5	0.11633	0.10401	0.10835
31	N	1-Methyl-t-3-Ethylcyclopentane	0.24021	0.20741	0.22373
32	N	1-Methyl-1-Ethylcyclopentane	0.03288	0.02801	0.03063
33	N	1-Methyl-t-2-Ethylcyclopentane	0.05962	0.05019	0.05485
34	N	1-Methyl-c-3-Ethylcyclopentane	0.12432	0.10671	0.11580
35	N	1,t-4-Dimethylcyclohexane	1.40113	1.26076	1.30502
36	N	1,c-3-Dimethylcyclohexane	0.56908	0.50983	0.53006
37	N	t-1,2-Dimethylcyclohexane	0.60491	0.53508	0.56342
38	N	c-1,4-Dimethylcyclohexane	0.05466	0.04792	0.05091
39	N	1,t-3-Dimethylcyclohexane	0.37169	0.32506	0.34620
40	N	1,c-2-Dimethylcyclohexane	0.39006	0.33624	0.36330
41	N	Ethylcyclohexane	1.17716	1.02553	1.09641
42	P	2,2,3-TMC5 + 2,4 & 2,5-DMC6	0.20265	0.20140	0.19233
43	P	2,3,4-Trimethylpentane	0.01511	0.01467	0.01432
44	P	2,3-Dimethylhexane	0.14359	0.14062	0.13616
45	P	3,4-Dimethylhexane	0.08198	0.07961	0.07773
46	P	2-Methylheptane	1.17519	1.17592	1.11424
47	P	4-Methylheptane	0.35396	0.35080	0.33561
48	P	3-Methylheptane	0.96485	0.95441	0.91483
49	P	n-Octane (nC8)	2.29084	2.27672	2.17205
		C8 Totals:	14.30628	12.83771	13.26112

#	Type	Component	Mol %	Liq.Vol%	Wt.%
		Nonanes (C9s)			
50	A	Isopropylbenzene	0.11751	0.10027	0.11723
51	A	n-Propylbenzene	0.25240	0.21633	0.25181
52	A	m-Ethyltoluene	0.34739	0.29552	0.34656
53	A	p-Ethyltoluene	0.14245	0.12169	0.14212
54	A	o-Ethyltoluene	0.31585	0.26383	0.31510
55	A	1,3,5-Trimethylbenzene	0.23643	0.20100	0.23587
56	A	1,2,4-Trimethylbenzene	0.65321	0.54861	0.65167
57	A	1,2,3-Trimethylbenzene	0.21850	0.17976	0.21798
58	N	1,1,4-Trimethylcyclohexane	0.47871	0.47694	0.49861
59	N	1,c-3,c-5-Trimethylcyclohexane	0.23603	0.23695	0.24732
60	N	1,1,2-Trimethylcyclohexane	0.07380	0.07127	0.07733
61	N	1,c-2,c-4-Trimethylcyclohexane	0.04619	0.04533	0.04840
62	P	2,2,4-Trimethylhexane	0.04185	0.04588	0.04460
63	P	2,4,4-Trimethylhexane	0.03778	0.04086	0.04022
64	P	2,3,5-Trimethylhexane	0.05795	0.06296	0.06169
65	P	2,2,3-Trimethylhexane	0.13630	0.14530	0.14403
66	P	2,2-Dimethylheptane	0.09749	0.10762	0.10378
67	P	3,4-Dimethylheptane	0.05401	0.05792	0.05790
68	P	2 + 4-Methyloctane	0.67790	0.74140	0.72167
69	P	3-Methyloctane	0.50092	0.54541	0.53328
70	P	n-Nonane (nC9)	1.73501	1.89926	1.84611
71		Unidentified C9s	3.57574	3.91199	3.80663
		C9 Totals:	10.03142	10.31787	10.61236
		Decanes (C10s)			
72	P	n-Decane (nC10)	1.43499	1.71049	1.69472
73		Unidentified C10s	3.50783	4.18068	4.14219
		C10 Totals:	4.94232	5.89117	5.83697
		Undecanes (C11s)			
74	P	n-Undecane (nC11)	1.32751	1.71506	1.72235
75		Unidentified C11s	3.06965	3.98577	3.98263
		C11 Totals:	4.39716	5.69083	5.70498
		Dodecanes (C12s)			
76	P	n-Dodecane (nC12)	1.04953	1.46091	1.48388
77		Unidentified C12s	3.96167	5.51449	5.60119
		C12 Totals:	5.01120	6.97540	7.08507
		Tridecanes (C13s)			
78	P	n-Tridecane (nC13)	0.92694	1.38333	1.41647
79		Unidentified C13s	2.12478	3.17095	3.25148
		C13 Totals:	3.05172	4.55428	4.66795
		Tetradecanes (C14s)			
80	P	n-Tetradecane (nC14)	0.76276	1.21456	1.25602
81		Unidentified C14s	1.25210	1.99378	2.06183
		C14 Totals:	2.01486	3.20834	3.31785
		Pentadecanes + (C15+)			
82		C15 +	3.51106	11.22847	12.32206
		Total Hexanes + :	85.83350	90.56790	92.23240
		Hexanes + Molecular Weight	129.310		
		Hexanes + Specific Gravity (60/60)	0.7546		
		Hexanes + Vapor Pressure @ 100 F	1.6023		
		Hydrocarbon Types			
	A	Aromatic (Benzene Derivative)			
	N	Naphthene (Cycloparaffin, Cycloalkane, Cyclane)			
	P	Paraffin (Alkane)			

MAY-07-1994 09:11 PANTECHS LAB 92% P.04

Material Balance for a Gas Well

Written by Doug Boone
Version 1.1
Copyright 1988

Well Name: Peery Fed. #3
Field Name:

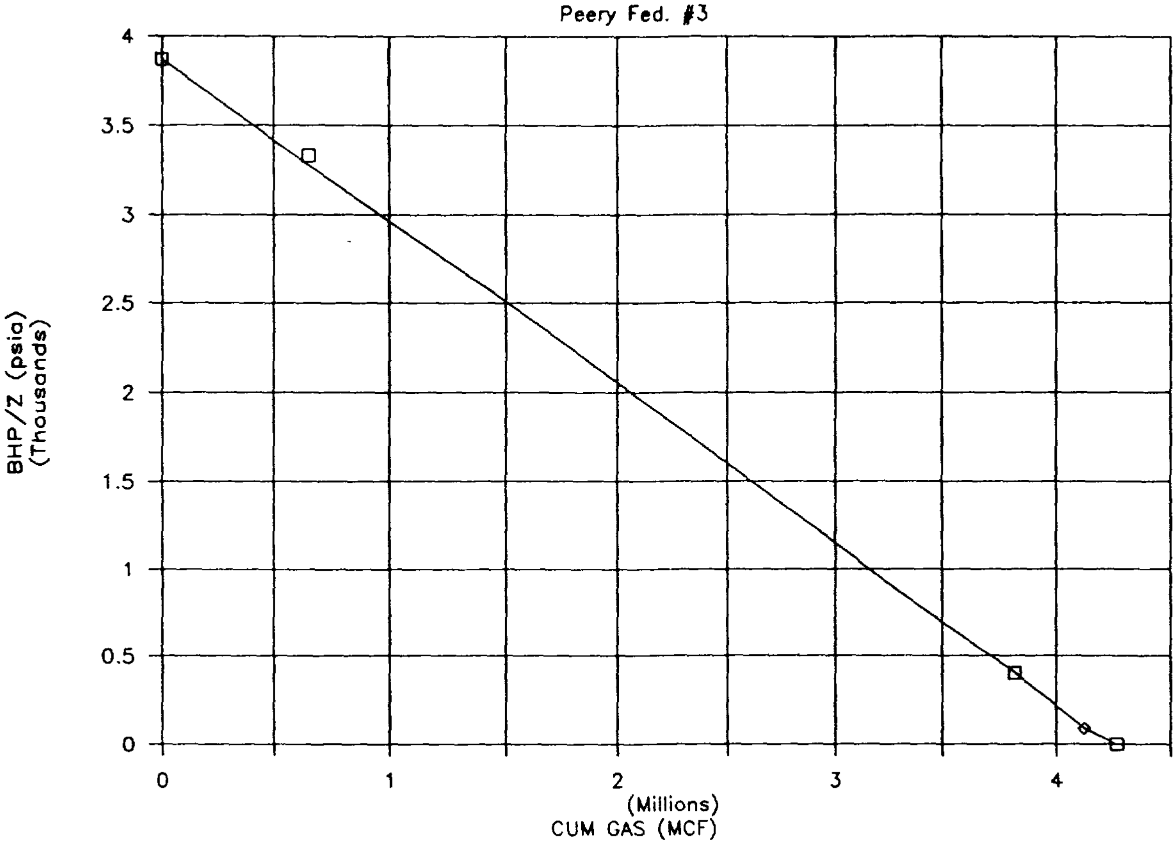
GAS GRAV.	0.74	CONDENSATE GRAV.	61 API
% N2	2.57	WEIGHT % OF NACL	1.9 %
% CO2	0.27	TEMP-res	165 'F
% H2S	0.00	ABANDONMENT PRESS.	90 psia
		CONDENSATE (YES=1)	1

	BHP PSIA	CUM GAS MCF	CUM COND BBL	CUM H2O BBL	H2O INFLUX BBL	GIP MCF
Init.	3,340	0	0	0	0	
	2,800	650,000	32,500	0	0	4,886,580
	385	3,750,000	82,000	250	0	4,338,898
				GIP FROM CURVE FIT		4,262,438
				GAS REC AT ABAND.		4,122,602
				PERCENT RECOVERY		96.72%

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 11

BHP/Z VERSE CUM GAS

Peery Fed. #3



```
10      START    AUG94
20      NAME     PEERY FED. #3
30      FIELD    LITTLE LUCKY LAKE MORROW
40      LOC      UNIT K SEC. 29-T15S-R30E
50      FORM     MORROW
60      OPER     PALOMA RESOURCES, INC.
70      SUB1     REMAINING RESERVES IN
80      SUB2     MORROW + TAXES + ROYALTIES
90      WELL     AUG94 CON 1
100     OWN      1.00 0.795 .795 .795 .795
110     GPROD    AUG94 EXP 11000 20
120     G$       AUG94 CON 1.75
130     GTAX%    AUG94 CON 8.00
140     OPROD    AUG94 EXP 60 20
150     O$       AUG94 CON 17
160     OTAX%    AUG94 CON 8.00
170     LOE$     AUG94 CON 1000
180     TANG     AUG94 MON 0000
190     INTANG   AUG94 MON 00000
```

EVALUATION PEERY.3

EUREKA
PETROLEUM ECONOMICS SOFTWARE
PACIFIC RESOURCES MANAGEMENT

RUN DATE: 06-26-1994
RUN TIME: 17:08:48

AS OF DATE: APR94

NAME: PEERY FED. #3
FIELD: LITTLE LUCKY LAKE MORROW
LOCATION: UNIT K SEC. 29-T15S-R30E
FORMATION: MORROW
OPERATOR: PALOMA RESOURCES, INC.

REMAINING RESERVES IN
MORROW + TAXES + ROYALTIES

NPV	5.0%	456.559	BFIT
NPV	10.0%	424.473	BFIT
NPV	15.0%	384.930	BFIT
NPV	20.0%	348.549	BFIT
NPV	25.0%	317.221	BFIT
IRR		>100%	BFIT
PAYOUT		AUG94	BFIT
PI		N/A	BFIT

====== INTERESTS AND EFFECTIVE DATE ======

COST	OIL	GAS	COND	PRODT	DATE
1.00000	0.79500	0.79500	0.79500	0.79500	AUG94

======== PRICES ======== / ============== GROSS RESERVES ==============

	BEGINING	ENDING	AVERAGE	CUMULATIVE	REMAINING	ULTIMATE	%REMAINING	
OIL	17.00	17.00	17.00	0.000	3.223	3.223	100.00	OIL
GAS	1.75	1.75	1.75	0.000	590.815	590.815	100.00	GAS
COND	0.00	0.00	0.00	0.000	0.000	0.000	0.00	COND
PRDT	0.00	0.00	0.00	0.000	0.000	0.000	0.00	PRDT

YEAR	GROSS WELLCOUNT	AVERAGE OIL PRICE	GROSS OIL PRODUCTION	NET OIL PRODUCTION	NET OIL SALES	AVERAGE GOR	AVERAGE GAS PRICE	NET GAS PRODUCTION	NET GAS SALES	NET TOTAL REVENUE
==========	===WELLS===	====$/B====	===MBBLS===	===MBBLS===	====M$=====	===SCF/B===	==$/MSCF===	===MMSCF===	====M$=====	====M$=====
1994	1.000	17.000	0.286	0.228	3.872	183333.375	1.750	41.754	73.069	76.941
1995	1.000	17.000	0.588	0.467	7.947	183333.313	1.750	85.705	149.984	157.931
1996	1.000	17.000	0.470	0.374	6.358	183333.344	1.750	68.564	119.987	126.345
1997	1.000	17.000	0.376	0.299	5.086	183333.344	1.750	54.851	95.990	101.076
1998	1.000	17.000	0.301	0.239	4.069	183333.344	1.750	43.881	76.792	80.861
1999	1.000	17.000	0.241	0.191	3.255	183333.391	1.750	35.105	61.434	64.689
2000	1.000	17.000	0.193	0.153	2.604	183333.297	1.750	28.084	49.147	51.751
2001	1.000	17.000	0.154	0.123	2.083	183333.359	1.750	22.467	39.317	41.401
2002	1.000	17.000	0.123	0.098	1.667	183333.297	1.750	17.974	31.454	33.121
2003	1.000	17.000	0.099	0.078	1.333	183333.313	1.750	14.379	25.163	26.496
2004	1.000	17.000	0.079	0.063	1.067	183333.344	1.750	11.503	20.131	21.197
2005	1.000	17.000	0.063	0.050	0.853	183333.359	1.750	9.203	16.104	16.958
2006	1.000	17.000	0.051	0.040	0.683	183333.391	1.750	7.362	12.884	13.566
2007	1.000	17.000	0.040	0.032	0.546	183333.234	1.750	5.890	10.307	10.853
2008	1.000	17.000	0.032	0.026	0.437	183333.438	1.750	4.712	8.245	8.682
SUBTOTAL	1.000	17.000	3.097	2.462	41.860	183333.344	1.750	451.433	790.008	831.869
REMAINING	1.000	17.000	0.125	0.100	1.694	183333.297	1.750	18.265	31.963	33.657
TOT 30.3Yr	1.000	17.000	3.223	2.562	43.554	183333.344	1.750	469.698	821.972	865.525

YEAR	INPUT LOE --WELL--	NET TOTAL LOE	NET TOTAL PROD TAX	NET TOTAL LOE+TAX	NET LEASE REVENUE	NET TOTAL INVESTMENTS	NET BFIT CASHFLOW	CUM BFIT CASHFLOW	BFIT CF DISC 20.0%	CUM BFIT CF DISC 20.0%
==========	=M$/WELLYR=	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====
1994	0.000	5.000	6.155	11.155	65.786	0.000	65.786	65.786	59.198	59.198
1995	0.000	12.000	12.635	24.635	133.297	0.000	133.297	199.083	105.860	165.058
1996	0.000	12.000	10.108	22.108	104.238	0.000	104.238	303.320	68.991	234.048
1997	0.000	12.000	8.086	20.086	80.990	0.000	80.990	384.310	44.675	278.724
1998	0.000	12.000	6.469	18.469	62.392	0.000	62.392	446.702	28.684	307.408
1999	0.000	12.000	5.175	17.175	47.514	0.000	47.514	494.216	18.207	325.615
2000	0.000	12.000	4.140	16.140	35.611	0.000	35.611	529.827	11.375	336.990
2001	0.000	12.000	3.312	15.312	26.089	0.000	26.089	555.916	6.947	343.937
2002	0.000	12.000	2.650	14.650	18.471	0.000	18.471	574.386	4.102	348.039
2003	0.000	12.000	2.120	14.120	12.377	0.000	12.377	586.763	2.293	350.331
2004	0.000	12.000	1.696	13.696	7.501	0.000	7.501	594.265	1.160	351.492
2005	0.000	12.000	1.357	13.357	3.601	0.000	3.601	597.866	0.467	351.959
2006	0.000	12.000	1.085	13.085	0.481	0.000	0.481	598.347	0.056	352.014
2007	0.000	12.000	0.868	12.868	-2.015	0.000	-2.015	596.331	-0.176	351.839
2008	0.000	12.000	0.695	12.695	-4.012	0.000	-4.012	592.319	-0.295	351.544
SUBTOTAL	0.000	173.000	66.549	239.549	592.319	0.000	592.319	592.319	351.544	351.544
REMAINING	0.000	187.000	2.693	189.693	-156.036	0.000	-156.036	436.283	-2.995	348.549
TOT 30.3Yr	0.000	360.000	69.242	429.242	436.283	0.000	436.283	436.283	348.549	348.549

EVALUATION PEERY.4 06-26-1994 17:12:37

```
10     START    AUG94
20     NAME     PEERY FED. #3
30     FIELD    LITTLE LUCKY LAKE MORROW
40     LOC      UNIT K SEC. 29-T15S-R30E
50     FORM     MORROW
60     OPER     PALOMA RESOURCES, INC.
70     SUB1     REMAINING RESERVES IN
80     SUB2     MORROW + TAXES + ROYALTIES
90     WELL     AUG94 CON 1
100    OWN      0.00 0.0625 0.0625 0.0625 0.0625
110    GPROD    AUG94 EXP 11000 20
120    G$       AUG94 CON 1.75
130    GTAX%    AUG94 CON 8.00
140    OPROD    AUG94 EXP 60 20
150    O$       AUG94 CON 17
160    OTAX%    AUG94 CON 8.00
170    LOE$     AUG94 CON 1000
180    TANG     AUG94 MON 0000
190    INTANG   AUG94 MON 00000
```

EVALUATION PEERY.4

EUREKA
PETROLEUM ECONOMICS SOFTWARE
PACIFIC RESOURCES MANAGEMENT

RUN DATE: 06-26-1994
RUN TIME: 17:13:07

AS OF DATE: APR94

NAME: PEERY FED. #3
FIELD: LITTLE LUCKY LAKE MORROW
LOCATION: UNIT K SEC. 29-T15S-R30E
FORMATION: MORROW
OPERATOR: PALOMA RESOURCES, INC.

REMAINING RESERVES IN
MORROW + TAXES + ROYALTIES

NPV	5.0%	50.485 BFIT
NPV	10.0%	42.374 BFIT
NPV	15.0%	36.570 BFIT
NPV	20.0%	32.214 BFIT
NPV	25.0%	28.822 BFIT
IRR		>100% BFIT
PAYOUT		AUG94 BFIT
PI		N/A BFIT

====== INTERESTS AND EFFECTIVE DATE ======

COST	OIL	GAS	COND	PRODT	DATE
0.00000	0.06250	0.06250	0.06250	0.06250	AUG94

	======== PRICES ========			============== GROSS RESERVES ==============				
	BEGINING	ENDING	AVERAGE	CUMULATIVE	REMAINING	ULTIMATE	%REMAINING	
OIL	17.00	17.00	17.00	0.000	3.223	3.223	100.00	OIL
GAS	1.75	1.75	1.75	0.000	590.815	590.815	100.00	GAS
COND	0.00	0.00	0.00	0.000	0.000	0.000	0.00	COND
PRDT	0.00	0.00	0.00	0.000	0.000	0.000	0.00	PRDT

YEAR	GROSS WELLCOUNT	AVERAGE OIL PRICE	GROSS OIL PRODUCTION	NET OIL PRODUCTION	NET OIL SALES	AVERAGE GOR	AVERAGE GAS PRICE	NET GAS PRODUCTION	NET GAS SALES	NET TOTAL REVENUE
==========	===WELLS===	====$/B====	===MBBLS===	===MBBLS===	====M$=====	===SCF/B===	==$/MSCF===	===MMSCF===	====M$=====	====M$=====
1994	1.000	17.000	0.286	0.018	0.304	183333.375	1.750	3.283	5.744	6.049
1995	1.000	17.000	0.588	0.037	0.625	183333.313	1.750	6.738	11.791	12.416
1996	1.000	17.000	0.470	0.029	0.500	183333.344	1.750	5.390	9.433	9.933
1997	1.000	17.000	0.376	0.024	0.400	183333.344	1.750	4.312	7.546	7.946
1998	1.000	17.000	0.301	0.019	0.320	183333.344	1.750	3.450	6.037	6.357
1999	1.000	17.000	0.241	0.015	0.256	183333.391	1.750	2.760	4.830	5.086
2000	1.000	17.000	0.193	0.012	0.205	183333.297	1.750	2.208	3.864	4.068
2001	1.000	17.000	0.154	0.010	0.164	183333.359	1.750	1.766	3.091	3.255
2002	1.000	17.000	0.123	0.008	0.131	183333.297	1.750	1.413	2.473	2.604
2003	1.000	17.000	0.099	0.006	0.105	183333.313	1.750	1.130	1.978	2.083
2004	1.000	17.000	0.079	0.005	0.084	183333.344	1.750	0.904	1.583	1.666
2005	1.000	17.000	0.063	0.004	0.067	183333.359	1.750	0.723	1.266	1.333
2006	1.000	17.000	0.051	0.003	0.054	183333.391	1.750	0.579	1.013	1.067
2007	1.000	17.000	0.040	0.003	0.043	183333.234	1.750	0.463	0.810	0.853
2008	1.000	17.000	0.032	0.002	0.034	183333.438	1.750	0.370	0.648	0.683
SUBTOTAL	1.000	17.000	3.097	0.194	3.291	183333.344	1.750	35.490	62.108	65.398
REMAINING	1.000	17.000	0.125	0.008	0.133	183333.297	1.750	1.436	2.513	2.646
TOT 30.3Yr	1.000	17.000	3.223	0.201	3.424	183333.344	1.750	36.926	64.620	68.044

YEAR	INPUT LOE --WELL--	NET TOTAL LOE	NET TOTAL PROD TAX	NET TOTAL LOE+TAX	NET LEASE REVENUE	NET TOTAL INVESTMENTS	NET BFIT CASHFLOW	CUM BFIT CASHFLOW	BFIT CF DISC 20.0%	CUM BFIT CF DISC 20.0%
==========	=M$/WELLYR=	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====
1994	0.000	0.000	0.484	0.484	5.565	0.000	5.565	5.565	5.007	5.007
1995	0.000	0.000	0.993	0.993	11.423	0.000	11.423	16.988	9.069	14.076
1996	0.000	0.000	0.795	0.795	9.138	0.000	9.138	26.126	6.046	20.122
1997	0.000	0.000	0.636	0.636	7.311	0.000	7.311	33.436	4.031	24.153
1998	0.000	0.000	0.509	0.509	5.848	0.000	5.848	39.285	2.687	26.840
1999	0.000	0.000	0.407	0.407	4.679	0.000	4.679	43.964	1.791	28.631
2000	0.000	0.000	0.325	0.325	3.743	0.000	3.743	47.707	1.194	29.825
2001	0.000	0.000	0.260	0.260	2.994	0.000	2.994	50.701	0.796	30.621
2002	0.000	0.000	0.208	0.208	2.396	0.000	2.396	53.096	0.531	31.152
2003	0.000	0.000	0.167	0.167	1.916	0.000	1.916	55.013	0.354	31.506
2004	0.000	0.000	0.133	0.133	1.533	0.000	1.533	56.546	0.236	31.742
2005	0.000	0.000	0.107	0.107	1.227	0.000	1.227	57.772	0.157	31.899
2006	0.000	0.000	0.085	0.085	0.981	0.000	0.981	58.754	0.105	32.004
2007	0.000	0.000	0.068	0.068	0.785	0.000	0.785	59.539	0.070	32.074
2008	0.000	0.000	0.055	0.055	0.628	0.000	0.628	60.167	0.047	32.121
SUBTOTAL	0.000	0.000	5.232	5.232	60.167	0.000	60.167	60.167	32.121	32.121
REMAINING	0.000	0.000	0.212	0.212	2.434	0.000	2.434	62.601	0.093	32.214
TOT 30.3Yr	0.000	0.000	5.444	5.444	62.601	0.000	62.601	62.601	32.214	32.214

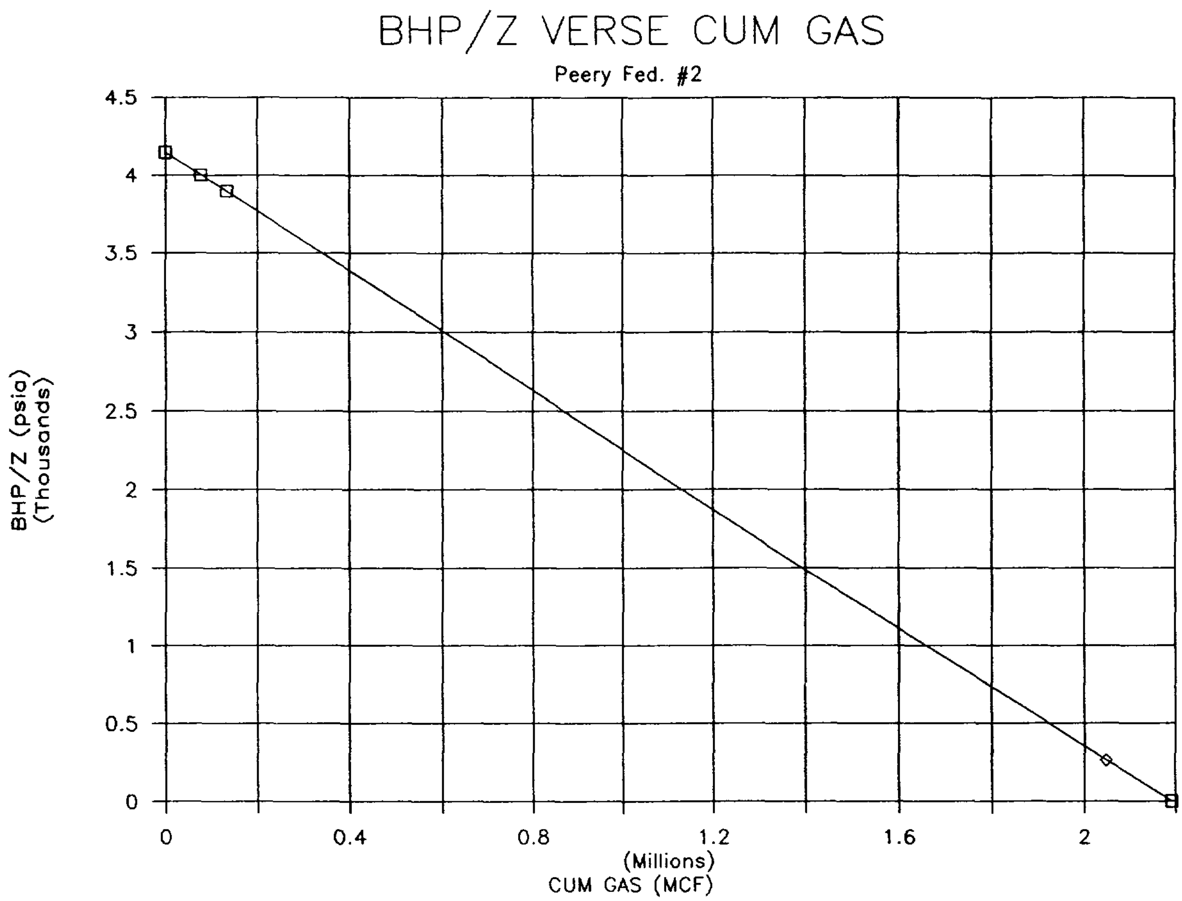
Material Balance for a Gas Well

Well Name: Peery Fed. #2
Field Name:

GAS GRAV	0.88	CONDENSATE GRAV	61	API
% N2	0.25	WEIGHT % OF NACL	1.9	%
% CO2	0.32	TEMP-res	165	'F
% H2S	0.00	ABANDONMENT PR	250	psia
		CONDENSATE (YES	1	

	BHP PSIA	CUM GAS MCF	CUM CON BBL	CUM H20 BBL	H20 INFLU BBL	GIP MCF
Init.	3,440	0	0	0	0	
	3,255	75,000	2,800	0	0	2,041,494
	3,144	132,632	6,260	0	0	2,224,828
				GIP FROM CURVE FIT		2,215,000
				GAS REC AT ABAND.		2,070,124
				PERCENT RECOVER		93.46%

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 12


BHP/Z VERSE CUM GAS
Peery Fed. #2
BHP/Z (psia)
(Thousands)
4.5
4
3.5
3
2.5
2
1.5
1
0.5
0
0
0.4
0.8
1.2
1.6
2
(Millions)
CUM GAS (MCF)

EVALUATION SAMPLE1.1

EUREKA
PETROLEUM ECONOMICS SOFTWARE
PACIFIC RESOURCES MANAGEMENT

RUN DATE: 07-11-1994
RUN TIME: 08:41:11

AS OF DATE: APR94

NAME: PEERY2
FIELD: LITTLE LUCKY LAKE MORROW
LOCATION: 1980'FEL & 660' FSL SEC. 29-T1
FORMATION: MORROW
OPERATOR: PALOMA RESOURCES, INC.

PLUG BACK TO MORROW
USING 3D SEISMIC
FOR EXACT LOCATION

NPV 5.0%	275.449	BFIT
NPV 10.0%	229.961	BFIT
NPV 15.0%	198.178	BFIT
NPV 20.0%	174.832	BFIT
NPV 25.0%	156.992	BFIT
IRR	>100%	BFIT
PAYOUT	APR94	BFIT
PI	N/A	BFIT

====== INTERESTS AND EFFECTIVE DATE ======

COST	OIL	GAS	COND	PRODT	DATE
0.00000	0.06250	0.06250	0.06250	0.06250	APR94

======== PRICES ======== / =============== GROSS RESERVES ===============

	BEGINING	ENDING	AVERAGE	CUMULATIVE	REMAINING	ULTIMATE	%REMAINING	
OIL	17.00	17.00	17.00	0.000	111.630	111.630	100.00	OIL
GAS	1.75	1.75	1.75	0.000	2342.196	2342.196	100.00	GAS
COND	0.00	0.00	0.00	0.000	0.000	0.000	0.00	COND
PRDT	0.00	0.00	0.00	0.000	0.000	0.000	0.00	PRDT

YEAR	GROSS WELLCOUNT	AVERAGE OIL PRICE	GROSS OIL PRODUCTION	NET OIL PRODUCTION	NET OIL SALES	AVERAGE GOR	AVERAGE GAS PRICE	NET GAS PRODUCTION	NET GAS SALES	NET TOTAL REVENUE
==========	===WELLS===	====$/B====	===MBBLS===	===MBBLS===	====M$=====	===SCF/B===	==$/MSCF===	===MMSCF===	====M$=====	====M$=====
1994(9 Mo)	1.000	17.000	17.403	1.088	18.491	16066.824	1.750	17.476	30.583	49.073
1995	1.000	17.000	19.106	1.194	20.300	16934.916	1.750	20.222	35.389	55.689
1996	1.000	17.000	15.285	0.955	16.240	17993.342	1.750	17.189	30.080	46.320
1997	1.000	17.000	12.228	0.764	12.992	19117.941	1.750	14.610	25.568	38.560
1998	1.000	17.000	9.782	0.611	10.394	20312.787	1.750	12.419	21.733	32.127
1999	1.000	17.000	7.826	0.489	8.315	21582.359	1.750	10.556	18.473	26.788
2000	1.000	17.000	6.261	0.391	6.652	22931.246	1.750	8.973	15.702	22.354
2001	1.000	17.000	5.008	0.313	5.321	24364.441	1.750	7.627	13.347	18.668
2002	1.000	17.000	4.007	0.250	4.257	25887.232	1.750	6.483	11.345	15.602
2003	1.000	17.000	3.205	0.200	3.406	27505.188	1.750	5.510	9.643	13.049
2004	1.000	17.000	2.564	0.160	2.725	29224.256	1.750	4.684	8.197	10.921
2005	1.000	17.000	2.051	0.128	2.180	31050.770	1.750	3.981	6.967	9.147
2006	1.000	17.000	1.641	0.103	1.744	32991.441	1.750	3.384	5.922	7.666
2007	1.000	17.000	1.313	0.082	1.395	35053.410	1.750	2.876	5.034	6.429
2008	1.000	17.000	1.050	0.066	1.116	37244.234	1.750	2.445	4.279	5.395
SUBTOTAL	1.000	17.000	108.730	6.796	115.526	20371.145	1.750	138.435	242.261	357.788
REMAINING	1.000	17.000	2.899	0.181	3.081	43883.145	1.750	7.952	13.916	16.997
TOT 20 Yr	1.000	17.000	111.630	6.977	118.607	20981.826	1.750	146.387	256.178	374.784

YEAR	INPUT LOE --WELL--	NET TOTAL LOE	NET TOTAL PROD TAX	NET TOTAL LOE+TAX	NET LEASE REVENUE	NET TOTAL INVESTMENTS	NET BFIT CASHFLOW	CUM BFIT CASHFLOW	BFIT CF DISC 20.0%	CUM BFIT CF DISC 20.0%
==========	=M$/WELLYR=	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====
1994(9 Mo)	0.000	0.000	3.926	3.926	45.148	0.000	45.148	45.148	41.943	41.943
1995	0.000	0.000	4.455	4.455	51.233	0.000	51.233	96.381	40.652	82.595
1996	0.000	0.000	3.706	3.706	42.615	0.000	42.615	138.996	28.177	110.772
1997	0.000	0.000	3.085	3.085	35.475	0.000	35.475	174.471	19.547	130.319
1998	0.000	0.000	2.570	2.570	29.556	0.000	29.556	204.028	13.571	143.890
1999	0.000	0.000	2.143	2.143	24.645	0.000	24.645	228.673	9.430	153.320
2000	0.000	0.000	1.788	1.788	20.566	0.000	20.566	249.238	6.558	159.878
2001	0.000	0.000	1.493	1.493	17.175	0.000	17.175	266.413	4.564	164.441
2002	0.000	0.000	1.248	1.248	14.354	0.000	14.354	280.767	3.178	167.620
2003	0.000	0.000	1.044	1.044	12.005	0.000	12.005	292.772	2.215	169.835
2004	0.000	0.000	0.874	0.874	10.048	0.000	10.048	302.819	1.545	171.380
2005	0.000	0.000	0.732	0.732	8.415	0.000	8.415	311.234	1.078	172.458
2006	0.000	0.000	0.613	0.613	7.053	0.000	7.053	318.287	0.753	173.211
2007	0.000	0.000	0.514	0.514	5.914	0.000	5.914	324.201	0.526	173.737
2008	0.000	0.000	0.432	0.432	4.963	0.000	4.963	329.165	0.368	174.105
SUBTOTAL	0.000	0.000	28.623	28.623	329.165	0.000	329.165	329.165	174.105	174.105
REMAINING	0.000	0.000	1.360	1.360	15.637	0.000	15.637	344.802	0.727	174.832
TOT 20 Yr	0.000	0.000	29.983	29.983	344.802	0.000	344.802	344.802	174.832	174.832

EVALUATION PEERY.2

EUREKA
PETROLEUM ECONOMICS SOFTWARE
PACIFIC RESOURCES MANAGEMENT

RUN DATE: 07-10-1994
RUN TIME: 19:32:16

AS OF DATE: APR94

NAME: PEERY FED. #2
FIELD: LITTLE LUCKY LAKE MORROW
LOCATION: UNIT O SEC. 29-T15S-R30E
FORMATION: MORROW
OPERATOR: PALOMA RESOURCES, INC.

PLUG BACK FROM DEVONIAN
AND RECOMPLETE IN MORROW

NPV	5.0%	3317.022	BFIT
NPV	10.0%	2776.933	BFIT
NPV	15.0%	2393.296	BFIT
NPV	20.0%	2108.502	BFIT
NPV	25.0%	1889.289	BFIT
IRR		>100%	BFIT
PAYOUT		MAY94	BFIT
PI		>100:1	BFIT

====== INTERESTS AND EFFECTIVE DATE ======							======== PRICES ========			=============== GROSS RESERVES ===============				
COST	OIL	GAS	COND	PRODT	DATE		BEGINING	ENDING	AVERAGE	CUMULATIVE	REMAINING	ULTIMATE	%REMAINING	
1.00000	0.79500	0.79500	0.79500	0.79500	MAY94	OIL	17.00	17.00	17.00	0.000	112.792	112.792	100.00	OIL
						GAS	1.75	1.75	1.75	0.000	2418.045	2418.045	100.00	GAS
						COND	0.00	0.00	0.00	0.000	0.000	0.000	0.00	COND
						PRDT	0.00	0.00	0.00	0.000	0.000	0.000	0.00	PRDT

YEAR	GROSS WELLCOUNT	AVERAGE OIL PRICE	GROSS OIL PRODUCTION	NET OIL PRODUCTION	NET OIL SALES	AVERAGE GOR	AVERAGE GAS PRICE	NET GAS PRODUCTION	NET GAS SALES	NET TOTAL REVENUE
==========	===WELLS===	====$/B====	===MBBLS===	===MBBLS===	====M$=====	===SCF/B===	==$/MSCF===	===MMSCF===	====M$=====	====M$=====
1994	1.000	17.000	15.610	12.410	210.971	16028.131	1.750	198.910	348.092	559.063
1995	1.000	17.000	19.464	15.474	263.060	16849.578	1.750	260.733	456.282	719.343
1996	1.000	17.000	15.571	12.379	210.448	17902.668	1.750	221.623	387.840	598.288
1997	1.000	17.000	12.457	9.903	168.359	19021.592	1.750	188.379	329.664	498.023
1998	1.000	17.000	9.966	7.923	134.687	20210.439	1.750	160.122	280.214	414.901
1999	1.000	17.000	7.973	6.338	107.750	21473.590	1.750	136.104	238.182	345.932
2000	1.000	17.000	6.378	5.071	86.200	22815.689	1.750	115.688	202.455	288.654
2001	1.000	17.000	5.102	4.056	68.960	24241.672	1.750	98.335	172.087	241.046
2002	1.000	17.000	4.082	3.245	55.168	25756.787	1.750	83.585	146.274	201.441
2003	1.000	17.000	3.266	2.596	44.134	27366.563	1.750	71.047	124.333	168.467
2004	1.000	17.000	2.612	2.077	35.307	29076.990	1.750	60.390	105.683	140.990
2005	1.000	17.000	2.090	1.662	28.246	30894.309	1.750	51.332	89.830	118.076
2006	1.000	17.000	1.672	1.329	22.597	32825.176	1.750	43.632	76.356	98.952
2007	1.000	17.000	1.338	1.063	18.077	34876.777	1.750	37.087	64.902	82.980
2008	1.000	17.000	1.070	0.851	14.462	37056.563	1.750	31.524	55.167	69.629
SUBTOTAL	1.000	17.000	108.652	86.378	1468.425	20358.111	1.750	1758.492	3077.361	4545.787
REMAINING	1.000	17.000	4.140	3.292	55.958	49778.668	1.750	163.854	286.745	342.703
TOT 30.1Yr	1.000	17.000	112.792	89.670	1524.384	21438.102	1.750	1922.346	3364.106	4888.490

YEAR	INPUT LOE --WELL--	NET TOTAL LOE	NET TOTAL PROD TAX	NET TOTAL LOE+TAX	NET LEASE REVENUE	NET TOTAL INVESTMENTS	NET BFIT CASHFLOW	CUM BFIT CASHFLOW	BFIT CF DISC 20.0%	CUM BFIT CF DISC 20.0%
==========	=M$/WELLYR=	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====	====M$=====
1994	0.000	8.000	44.725	52.725	506.338	20.000	486.338	486.338	447.210	447.210
1995	0.000	12.000	57.547	69.547	649.795	0.000	649.795	1136.134	515.618	962.828
1996	0.000	12.000	47.863	59.863	538.425	0.000	538.425	1674.559	356.036	1318.865
1997	0.000	12.000	39.842	51.842	446.181	0.000	446.181	2120.740	245.866	1564.731
1998	0.000	12.000	33.192	45.192	369.709	0.000	369.709	2490.449	169.773	1734.504
1999	0.000	12.000	27.675	39.675	306.257	0.000	306.257	2796.706	117.197	1851.700
2000	0.000	12.000	23.092	35.092	253.562	0.000	253.562	3050.268	80.861	1932.561
2001	0.000	12.000	19.284	31.284	209.763	0.000	209.763	3260.031	55.745	1988.306
2002	0.000	12.000	16.115	28.115	173.326	0.000	173.326	3433.357	38.386	2026.691
2003	0.000	12.000	13.477	25.477	142.989	0.000	142.989	3576.346	26.390	2053.081
2004	0.000	12.000	11.279	23.279	117.711	0.000	117.711	3694.057	18.105	2071.186
2005	0.000	12.000	9.446	21.446	96.630	0.000	96.630	3790.688	12.386	2083.572
2006	0.000	12.000	7.916	19.916	79.036	0.000	79.036	3869.724	8.443	2092.014
2007	0.000	12.000	6.638	18.638	64.341	0.000	64.341	3934.065	5.728	2097.742
2008	0.000	12.000	5.570	17.570	52.059	0.000	52.059	3986.124	3.862	2101.605
SUBTOTAL	0.000	176.000	363.663	539.663	4006.124	20.000	3986.124	3986.124	2101.605	2101.605
REMAINING	0.000	184.000	27.416	211.416	131.287	0.000	131.287	4117.411	6.896	2108.501
TOT 30.1Yr	0.000	360.000	391.079	751.079	4137.411	20.000	4117.411	4117.411	2108.501	2108.501

COMPANY:	PALOMA RESOURCES
CLIENT:	GENE LEE
GAUGE NUMBER:	28033
WELL NAME:	PEERY FED
WELL NUMBER:	#2
TEST NUMBER:	2
LOCATION:	S29-T15S-R30E,EDDY, N.M.
TEST OPERATOR:	KELTIC SERVICES
COMMENTS:	42 HR. B.U. BOMBS HUNG @ 10000ft =MID-PERF

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 13

PAGE START DATE: 7/12/94 GAUGE S/N: 28033

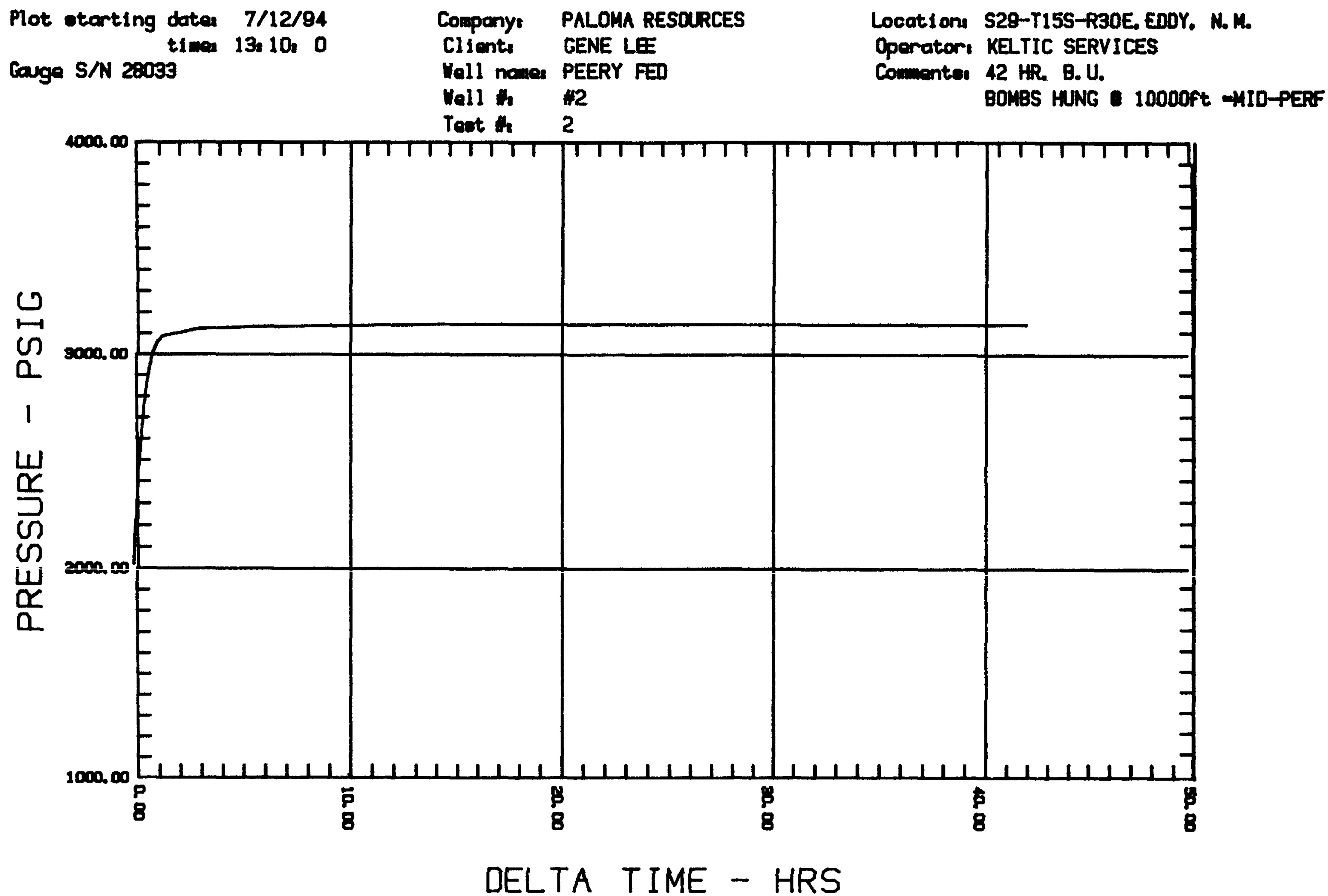
DATA FILE: 4

DATA POINT	REAL TIME	DELTA TIME HRS	DEFLECTION IN	PRESSURE PSIG	COMMENTS
1	13:10: 0	0.000	0.8067	2021.81	SHUT-IN WELL
2	13:11:35	0.026	0.8301	2081.22	
3	13:14: 7	0.069	0.8601	2157.42	
4	13:16:59	0.116	0.8875	2227.03	
5	13:19:37	0.160	0.9214	2313.18	
6	13:22:12	0.203	0.9455	2374.44	
7	13:26: 4	0.268	0.9839	2472.08	
8	13:29: 5	0.318	1.0110	2541.02	
9	13:32: 0	0.367	1.0342	2600.04	
10	13:35:25	0.424	1.0599	2665.44	
11	13:38: 7	0.469	1.0790	2714.06	
12	13:41:41	0.528	1.1023	2773.38	
13	13:43:50	0.564	1.1169	2810.56	
14	13:46:28	0.608	1.1292	2841.89	
15	13:49:13	0.654	1.1417	2873.72	
16	13:52:38	0.711	1.1547	2906.84	
17	13:54:53	0.748	1.1637	2929.77	
18	13:58: 5	0.801	1.1737	2955.25	
19	14: 1:23	0.856	1.1835	2980.22	
20	14: 4:41	0.911	1.1899	2996.53	
21	14: 7:39	0.961	1.1964	3013.09	
22	14:10:28	1.008	1.2018	3026.86	
23	14:13:33	1.059	1.2079	3042.40	
24	14:17:20	1.122	1.2122	3053.37	
25	14:20:29	1.175	1.2163	3063.82	
26	14:25: 3	1.251	1.2201	3073.50	
27	14:30:39	1.344	1.2243	3084.21	
28	14:39:57	1.499	1.2269	3090.84	
29	14:53: 0	1.717	1.2283	3094.41	
30	15: 9:23	1.990	1.2307	3100.53	
31	15:26:30	2.275	1.2323	3104.60	
32	15:45: 0	2.583	1.2351	3111.74	
33	16: 1:23	2.856	1.2375	3117.86	
34	16:21:18	3.188	1.2395	3122.96	
35	16:46: 4	3.601	1.2403	3125.00	
36	17:17: 3	4.117	1.2410	3126.79	
37	18:11:24	5.023	1.2421	3129.59	
38	18:54:43	5.745	1.2433	3132.65	
39	19:52:56	6.716	1.2438	3133.93	
40	21: 9:18	7.988	1.2442	3134.95	
41	22:30:14	9.337	1.2452	3137.50	
42	23:57:14	10.787	1.2459	3139.28	
43	1:35:50	12.431	1.2469	3141.83	
44	3:39:58	14.499	1.2478	3144.12	
45	4:34:56	15.416	1.2478	3144.12	
46	5:23:51	16.231	1.2478	3144.12	
47	6: 3: 1	16.884	1.2478	3144.12	
48	6:39:47	17.496	1.2478	3144.12	
49	7:27:39	18.294	1.2478	3144.12	
50	8:21:24	19.190	1.2478	3144.12	

PAGE START DATE: 7/13/94 GAUGE S/N: 28033

DATA FILE: 4

DATA POINT	REAL TIME	DELTA TIME HRS	DEFLECTION IN	PRESSURE PSIG	COMMENTS
51	9:15:49	20.097	1.2478	3144.12	
52	10: 4:18	20.905	1.2478	3144.12	
53	11: 8:24	21.973	1.2478	3144.12	
54	12: 6:53	22.948	1.2478	3144.12	
55	13:10:16	24.004	1.2478	3144.12	
56	14:12: 1	25.034	1.2478	3144.12	
57	15:22:10	26.203	1.2478	3144.12	
58	16:30:47	27.346	1.2478	3144.12	
59	17:31:41	28.361	1.2478	3144.12	
60	18:50: 6	29.668	1.2478	3144.12	
61	20: 2:47	30.880	1.2478	3144.12	
62	20:47:31	31.625	1.2478	3144.12	
63	21:37:45	32.462	1.2478	3144.12	
64	22:54:37	33.744	1.2478	3144.12	
65	23:50:15	34.671	1.2478	3144.12	
66	0:42: 8	35.536	1.2478	3144.12	
67	1:23: 1	36.217	1.2478	3144.12	
68	2:23:56	37.232	1.2478	3144.12	
69	3:27: 9	38.286	1.2478	3144.12	
70	4:36:22	39.439	1.2478	3144.12	
71	5:52: 5	40.701	1.2478	3144.12	
72	7:14:56	42.082	1.2478	3144.12	
73	7:26:26	42.274	1.2478	3144.12	



Plot starting date: 7/12/94
time: 13:10: 0
Gauge S/N 28033
Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #2
Test #: 2
Location: S29-T15S-R30E, EDDY, N.M.
Operator: KELTIC SERVICES
Comments: 42 HR. B.U.
BOMBS HUNG @ 10000ft =MID-PERF
4000.00
3000.00
2000.00
1000.00
0.00
10.00
20.00
30.00
40.00
50.00
PRESSURE - PSIG
DELTA TIME - HRS

COMPANY:	PALOMA RESOURCES
CLIENT:	GENE LEE
GAUGE NUMBER:	28033
WELL NAME:	PEERY FED
WELL NUMBER:	#2
TEST NUMBER:	2
LOCATION:	S29-T15S-R30E, EDDY, N.M.
TEST OPERATOR:	KELTIC SERVICES
COMMENTS:	STATIC W/ GRAD. STOPS RUN AFTR B.U., SURFACE PRESS.= 1960psig

PAGE START DATE: 7/14/94 GAUGE S/N: 28033

DATA FILE: 5

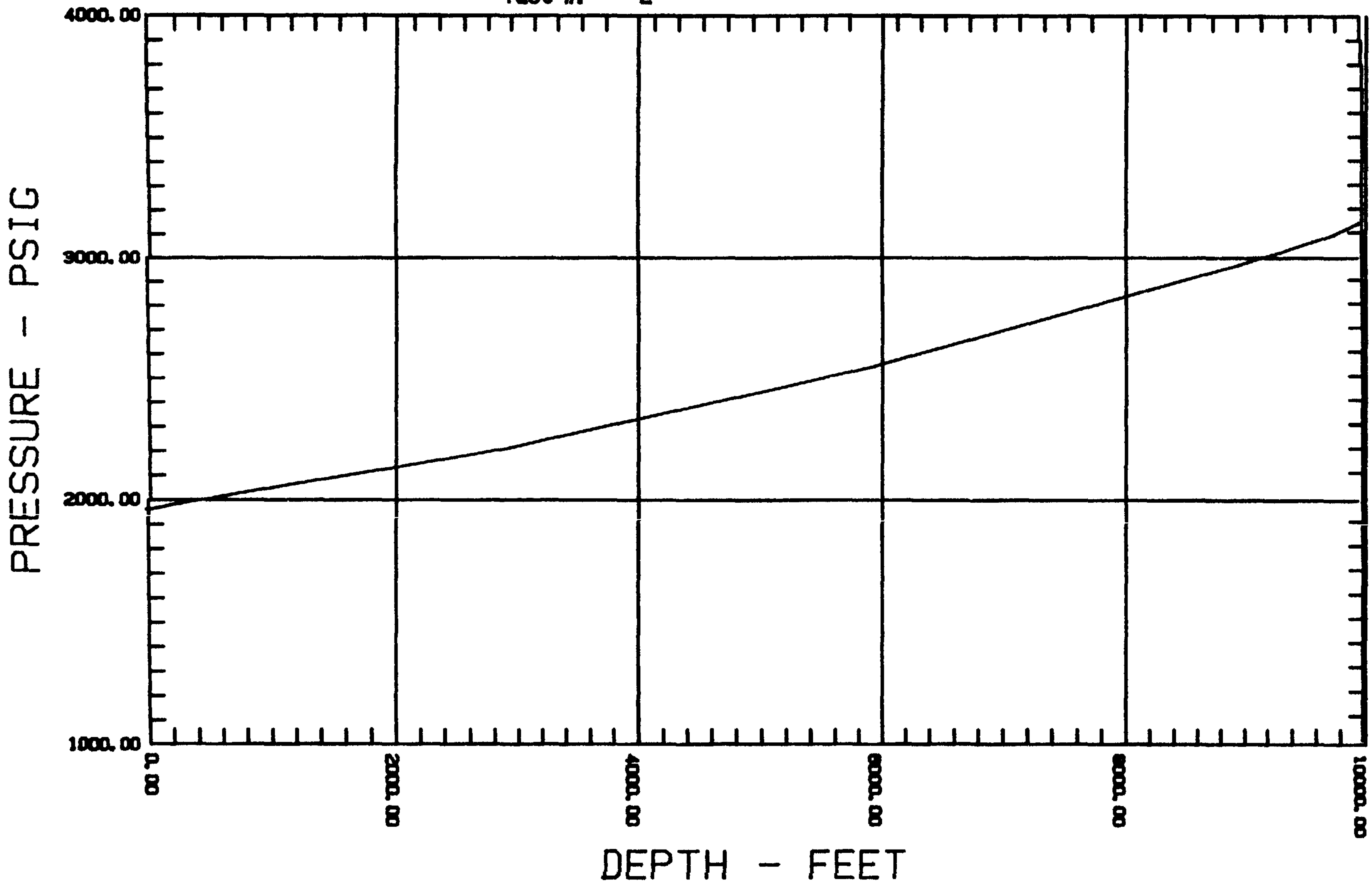
TIME	DELTA TIME HRS	DEPTH FEET	DEFLECTION IN	PRESSURE PSIG	COMMENTS
7:27: 0	0.000	0.00	0.7821	1959.36	
7:37:12	0.170	3000.00	0.8820	2212.29	0.084 PSI/FT
7:54:38	0.461	6000.00	1.0130	2546.10	0.111 PSI/FT
8: 9: 0	0.700	9000.00	1.1780	2966.71	0.140 PSI/FT
8:19:55	0.882	9800.00	1.2290	3094.92	0.160 PSI/FT
8:28:30	1.025	10000.00	1.2480	3144.13	0.246 PSI/FT

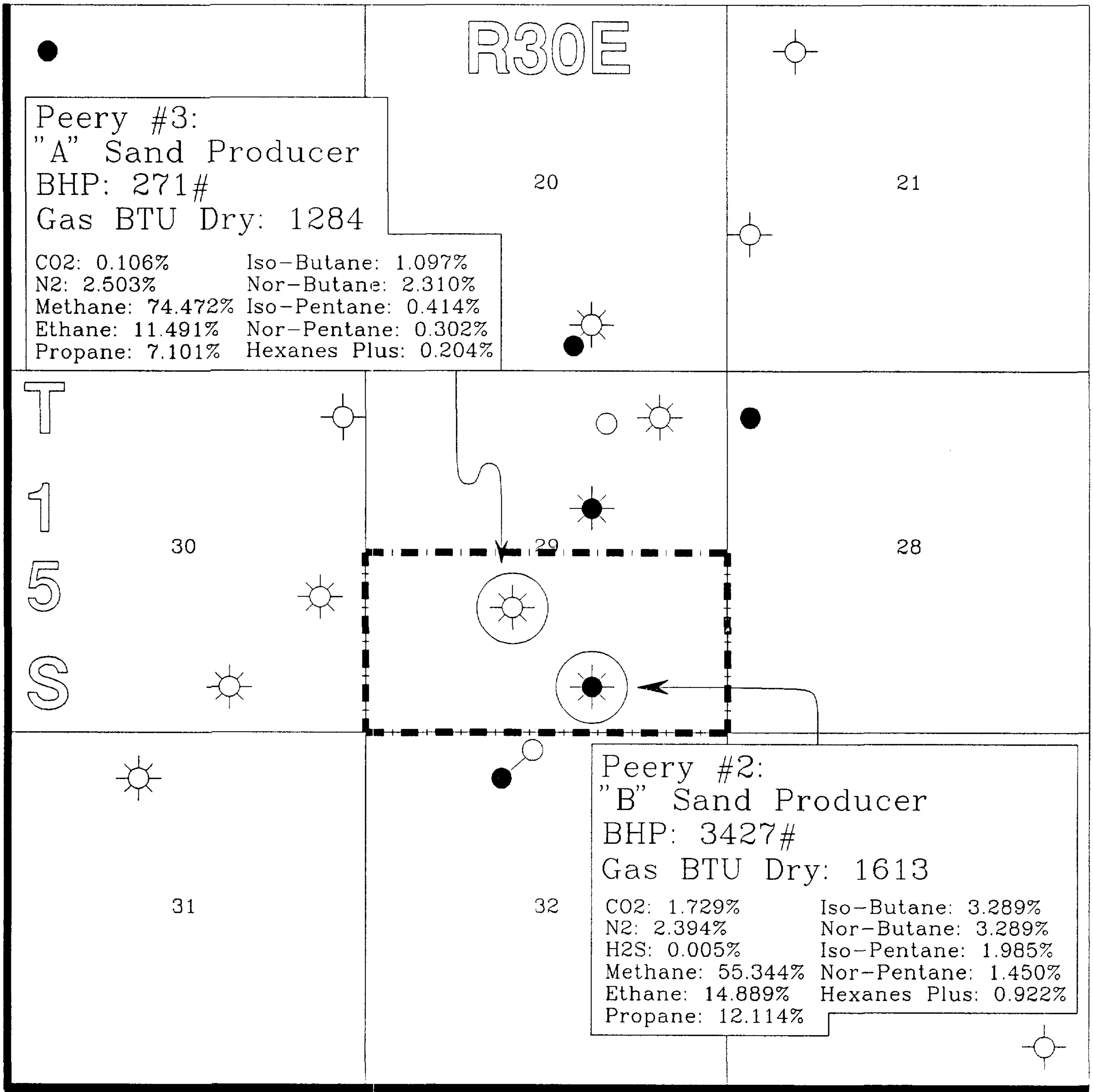
Fluid level = 9647 ft.

Plot starting date: 7/14/94
time: 7:27: 0
Gauge S/N 28033

Company: PALOMA RESOURCES
Client: GENE LEE
Well name: PEERY FED
Well #: #2
Test #: 2

Location: S29-T15S-R30E, EDDY, N.M.
Operator: KELTIC SERVICES
Comments: STATIC W/ GRAD. STOPS RUN AFTR B.U., SURFACE PRESS. = 1960psig





Paloma Resources, Inc.

Little Lucky Lake Morrow

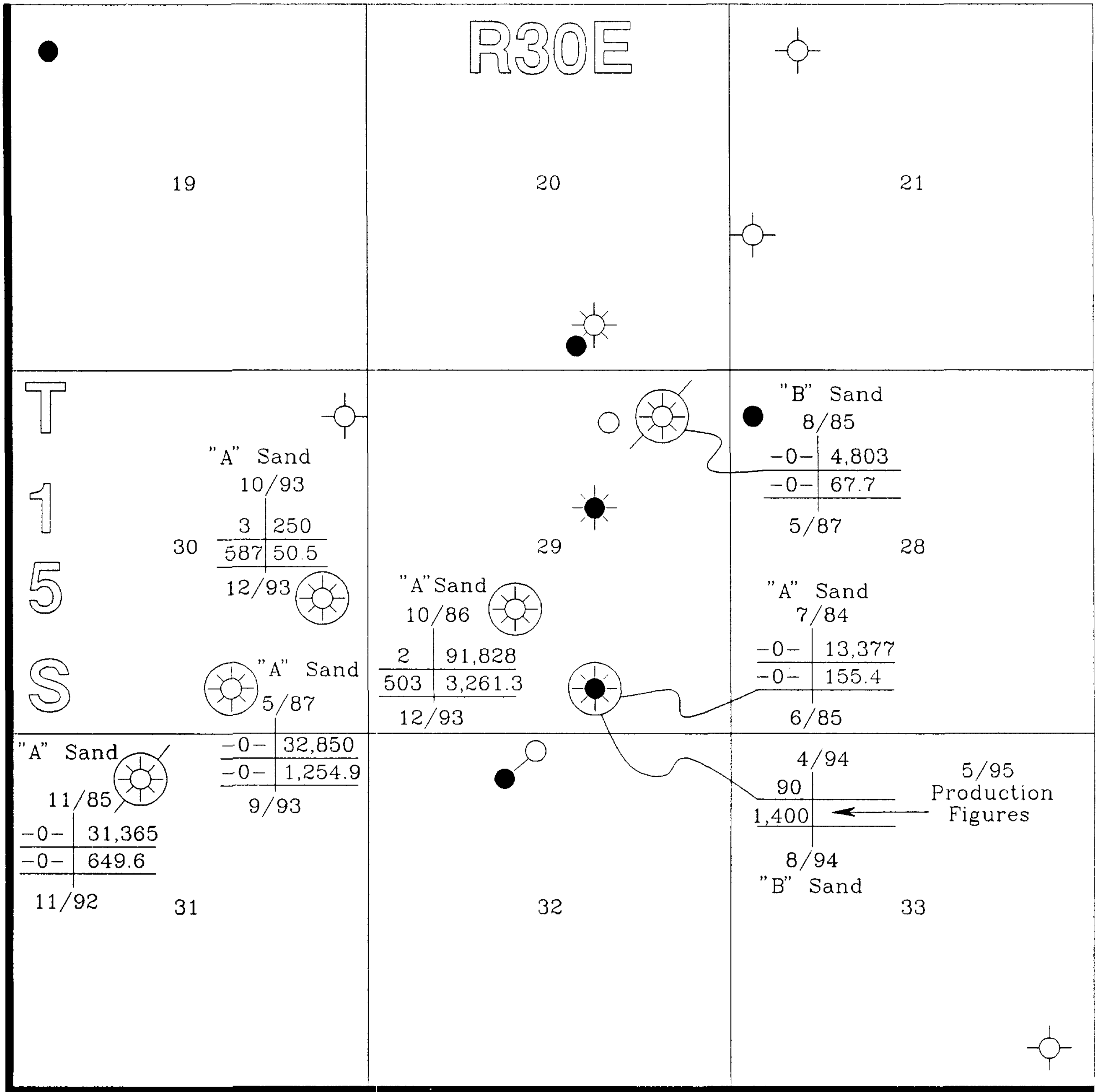
Morrow Sand Reservoir Data

Paloma Peery Fed #2 & #3 Wells

Sec. 29, T15S-R30E

8/94

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 14



Paloma Resources, Inc.
Little Lucky Lake Morrow

Morrow Production Information

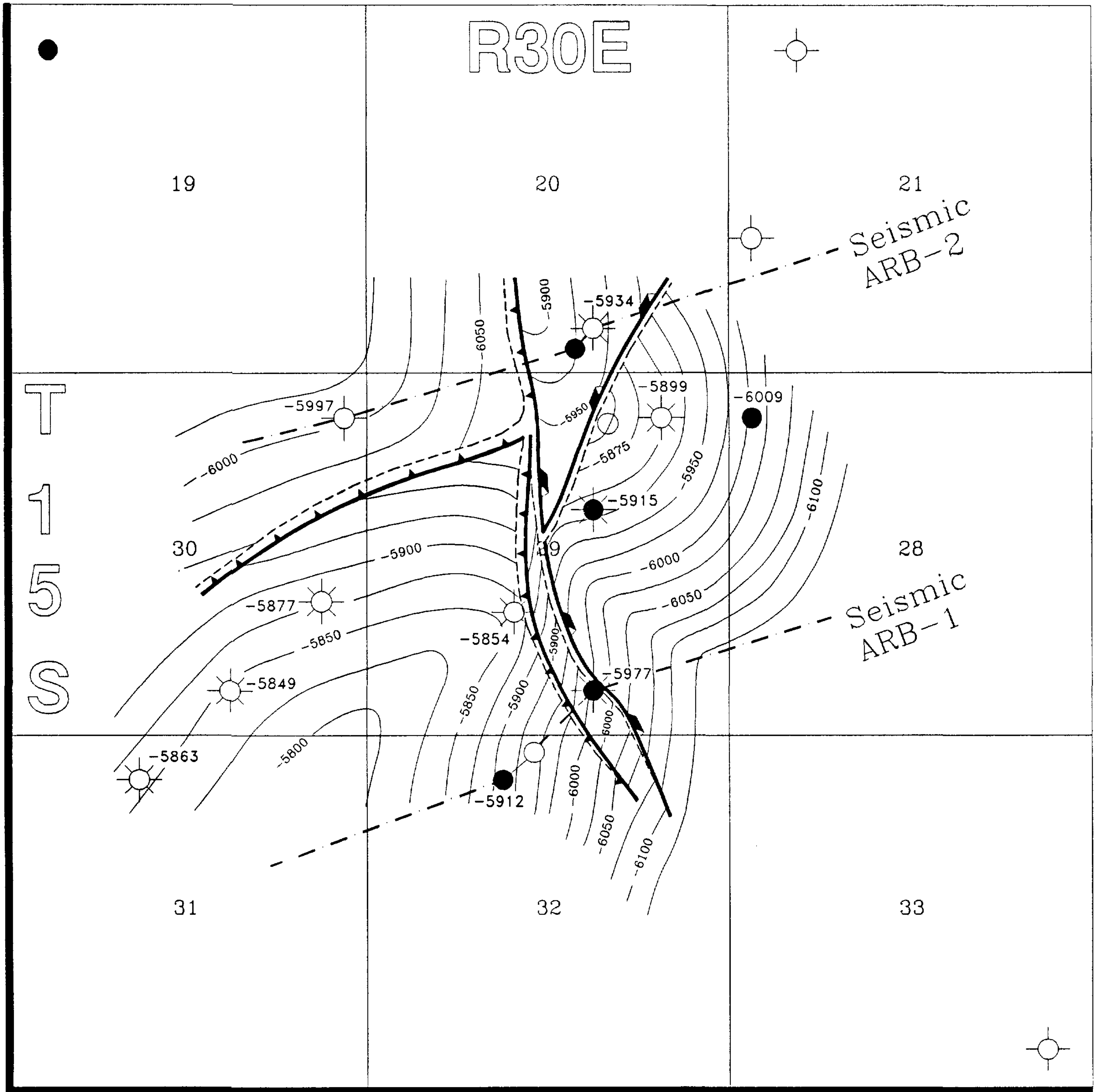
Init. Prod.

12/93 Daily Oil	Cum. Oil
Daily Gas	Cum. Gas MMCF

Abandoned

8/94

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 15



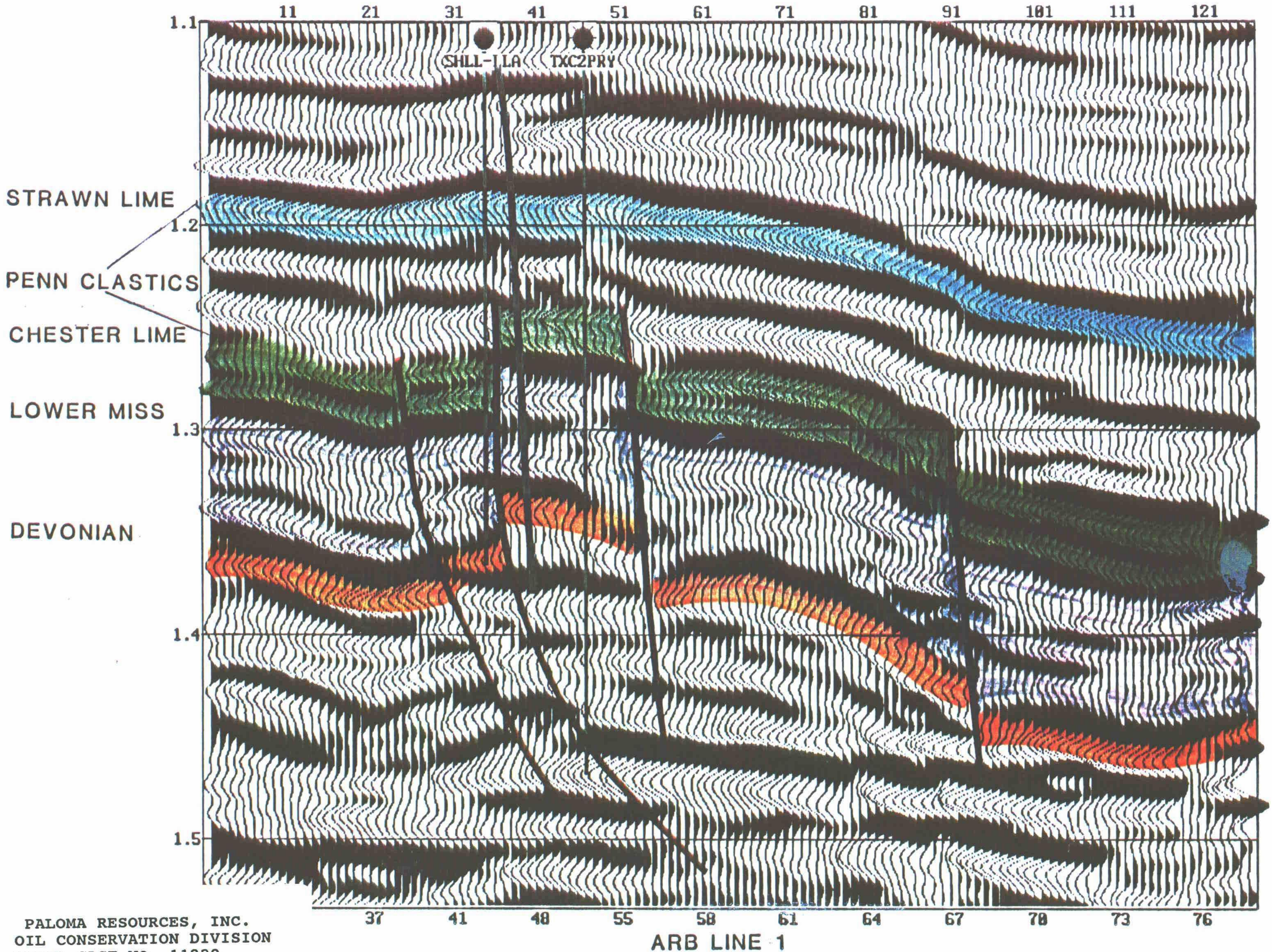
Paloma Resources, Inc.
Little Lucky Lake Morrow

Morrow Structure

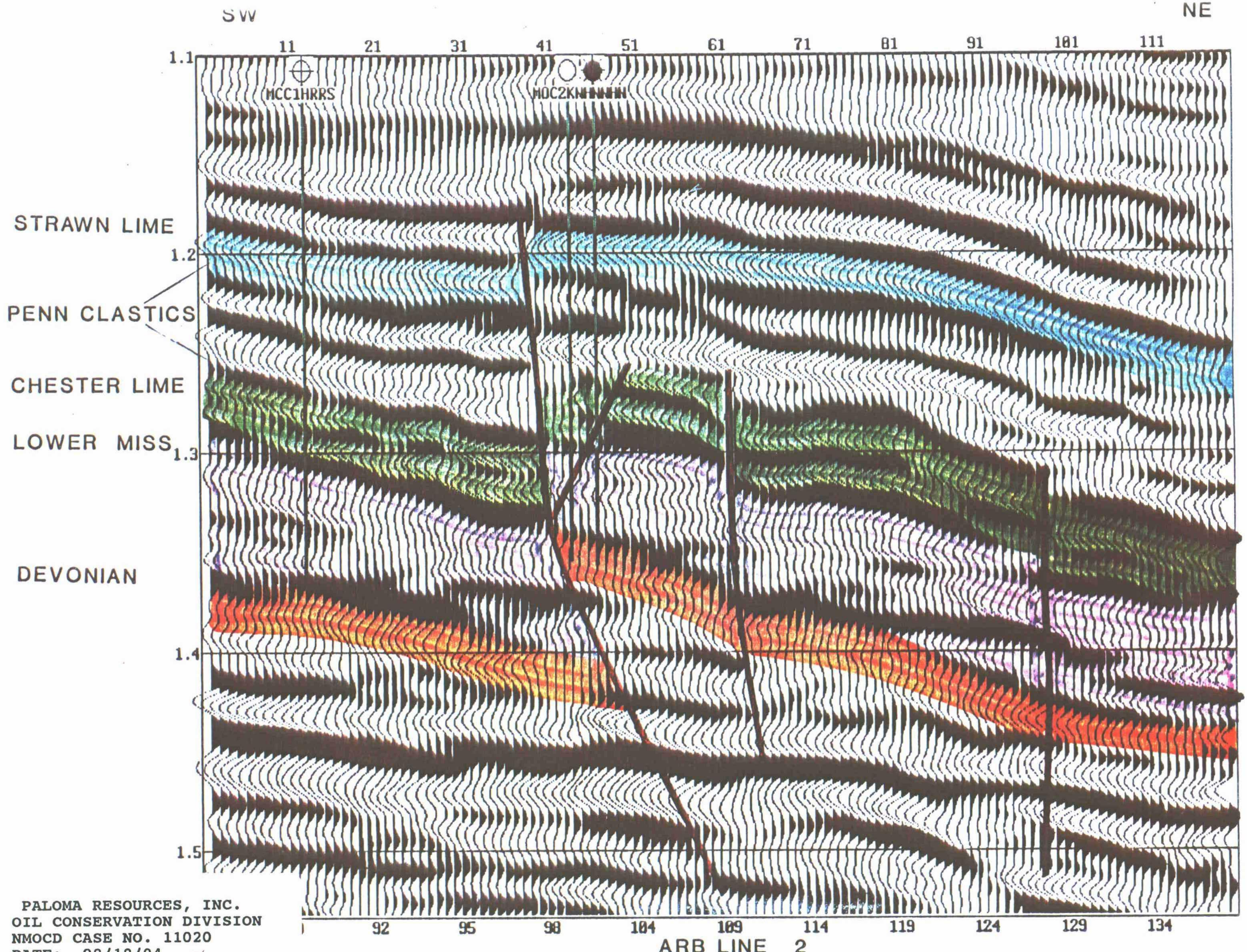
25 Ft Contour Interval

8/94

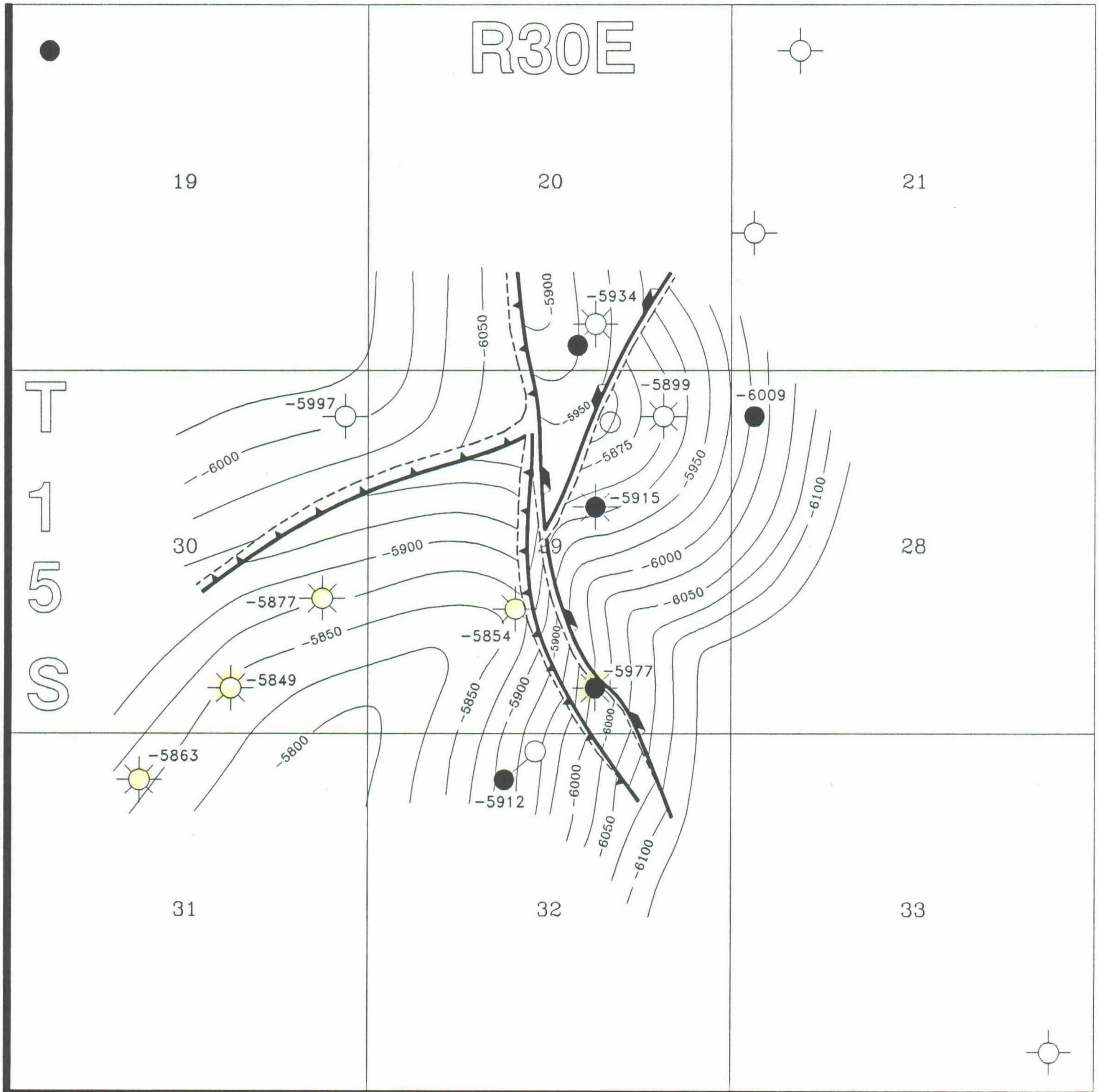
PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 16



PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 17



PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 18



Paloma Resources, Inc.

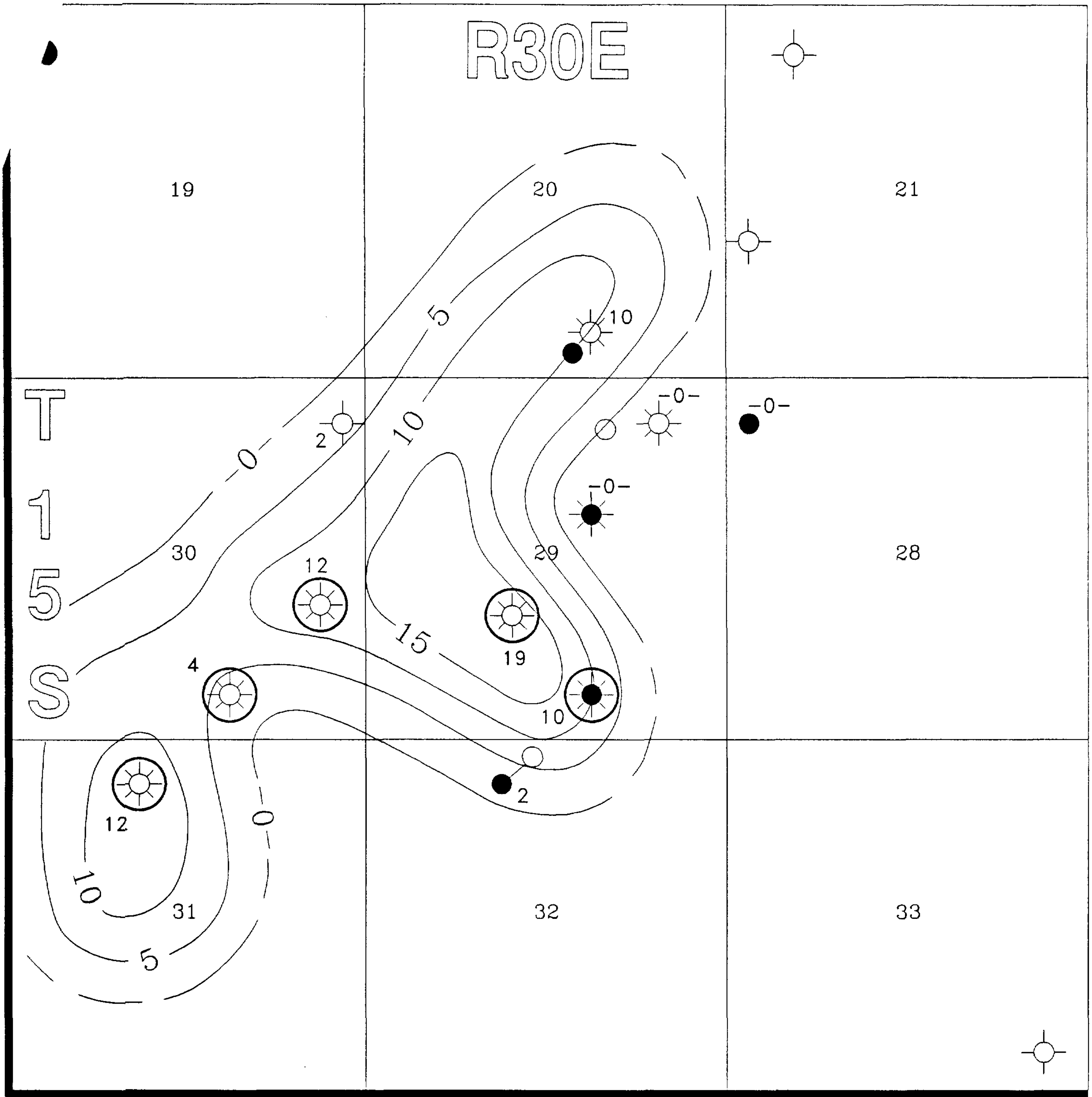
Little Lucky Lake Morrow

Morrow Structure

25 Ft Contour Interval

8/94

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 19

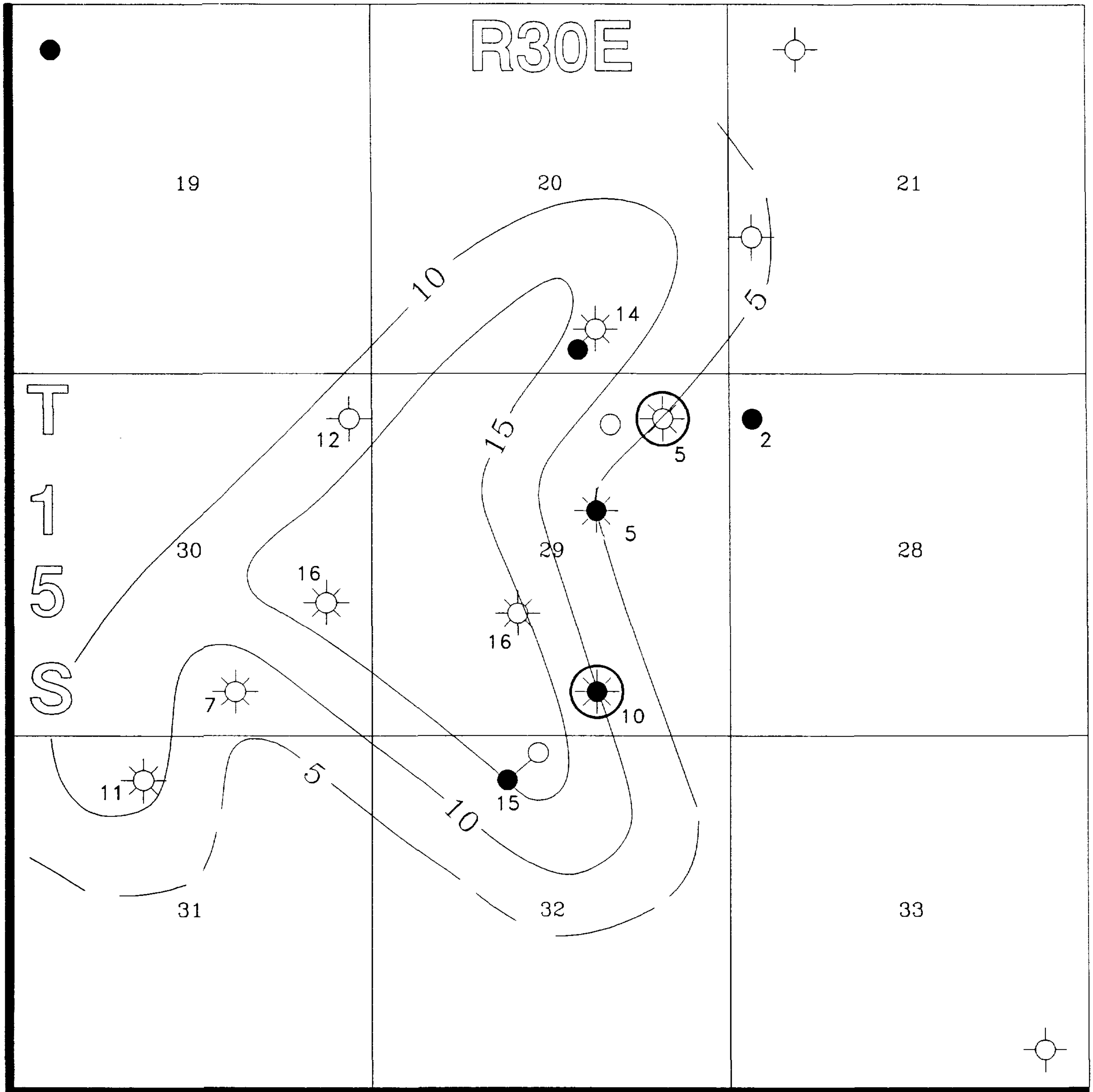


Paloma Resources, Inc.
Little Lucky Lake Morrow

"A" Sand Isolith
Net Feet Sand
5 Ft. Contour Interval
"A" Sand Producer

8/94

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 20



Paloma Resources, Inc.
Little Lucky Lake Morrow

"B" Sand Isolith
Net Feet Sand
5 Ft. Contour Interval

"B" Sand Producer

8/94

PALOMA RESOURCES, INC.
OIL CONSERVATION DIVISION
NMOCD CASE NO. 11020
DATE: 08/18/94
EXHIBIT NO. 21