

WELL PERFORMANCE

Oil EUR/PLL

BBL/FT

Gas EUR/PLL

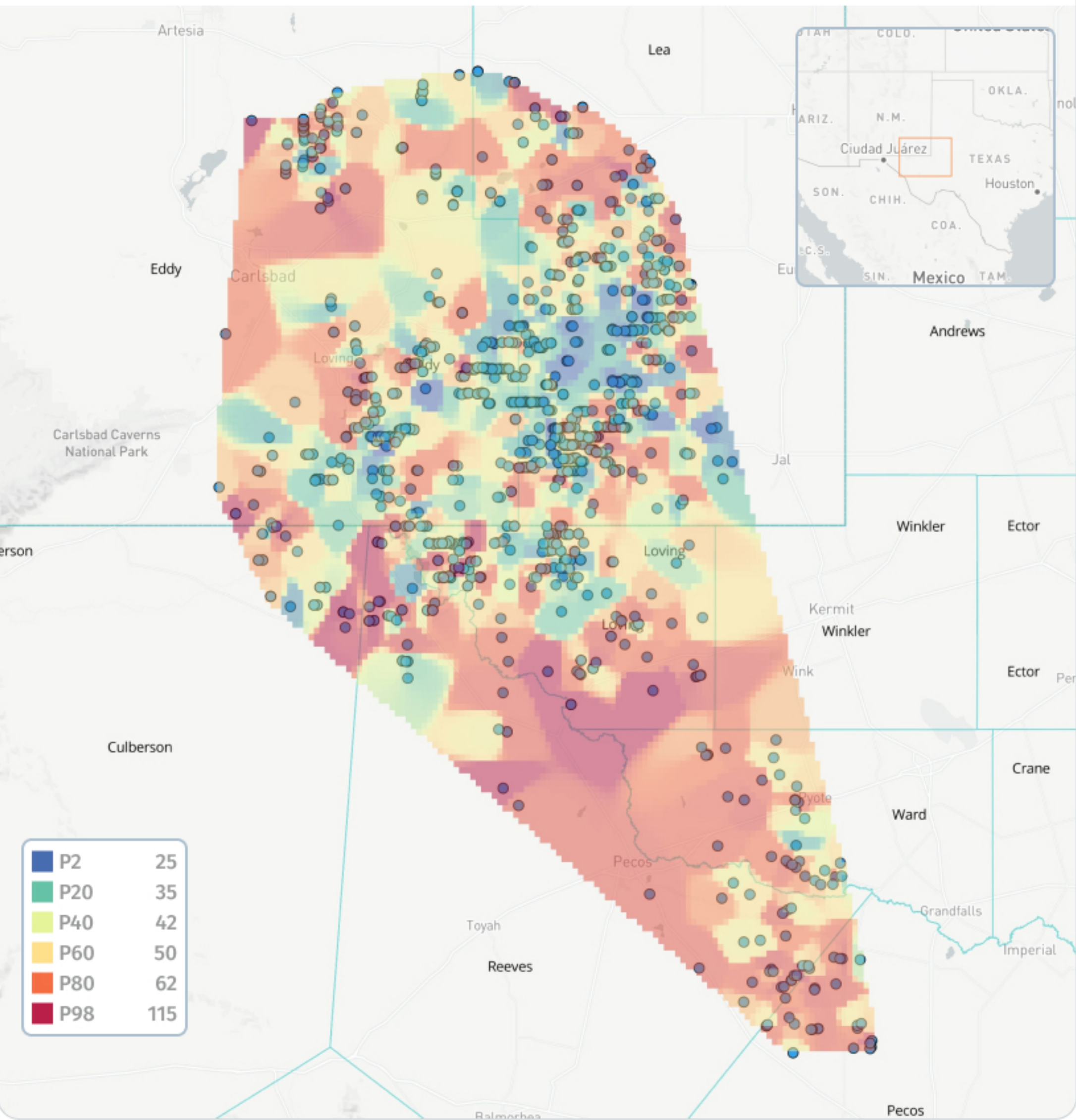
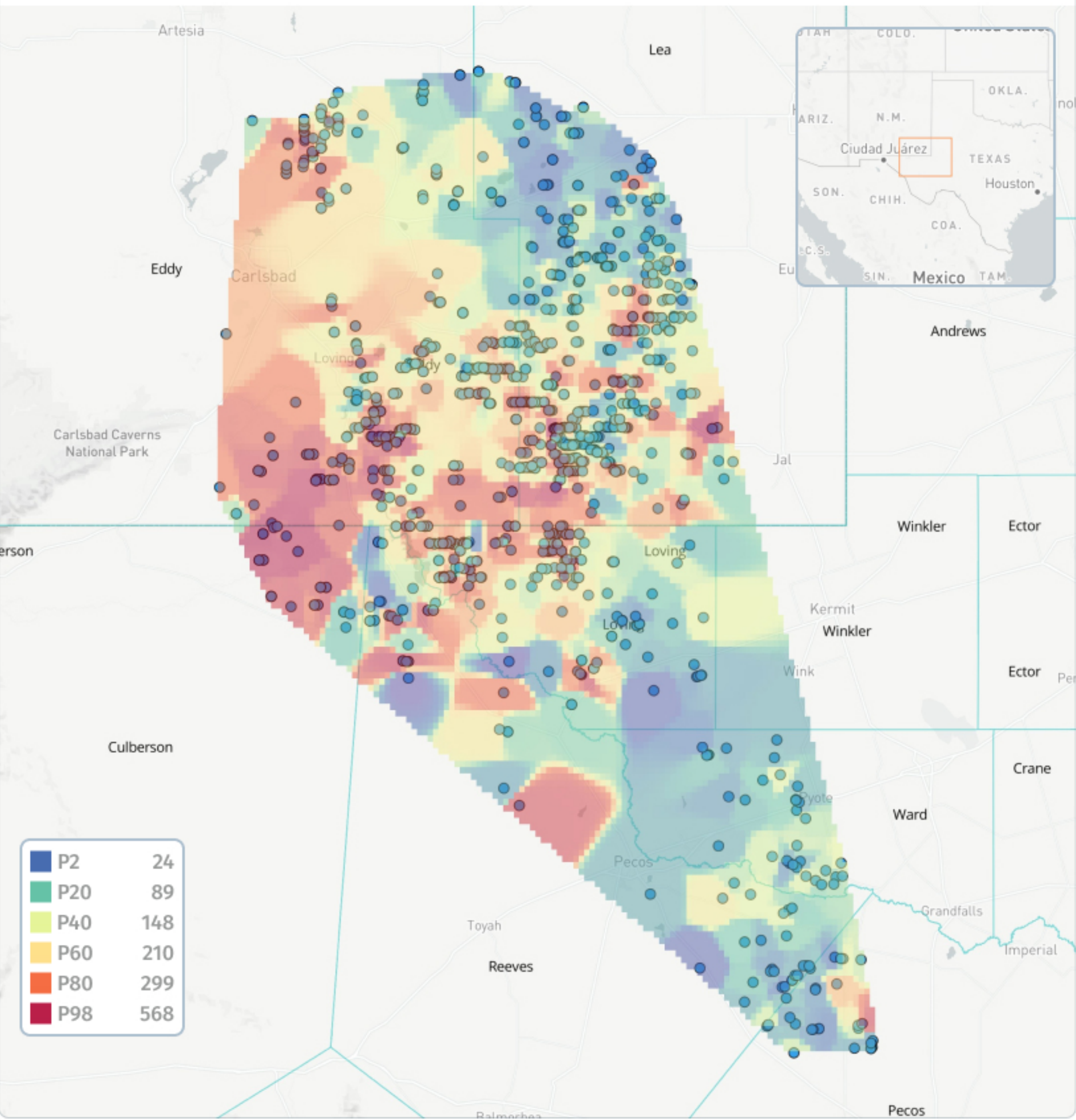
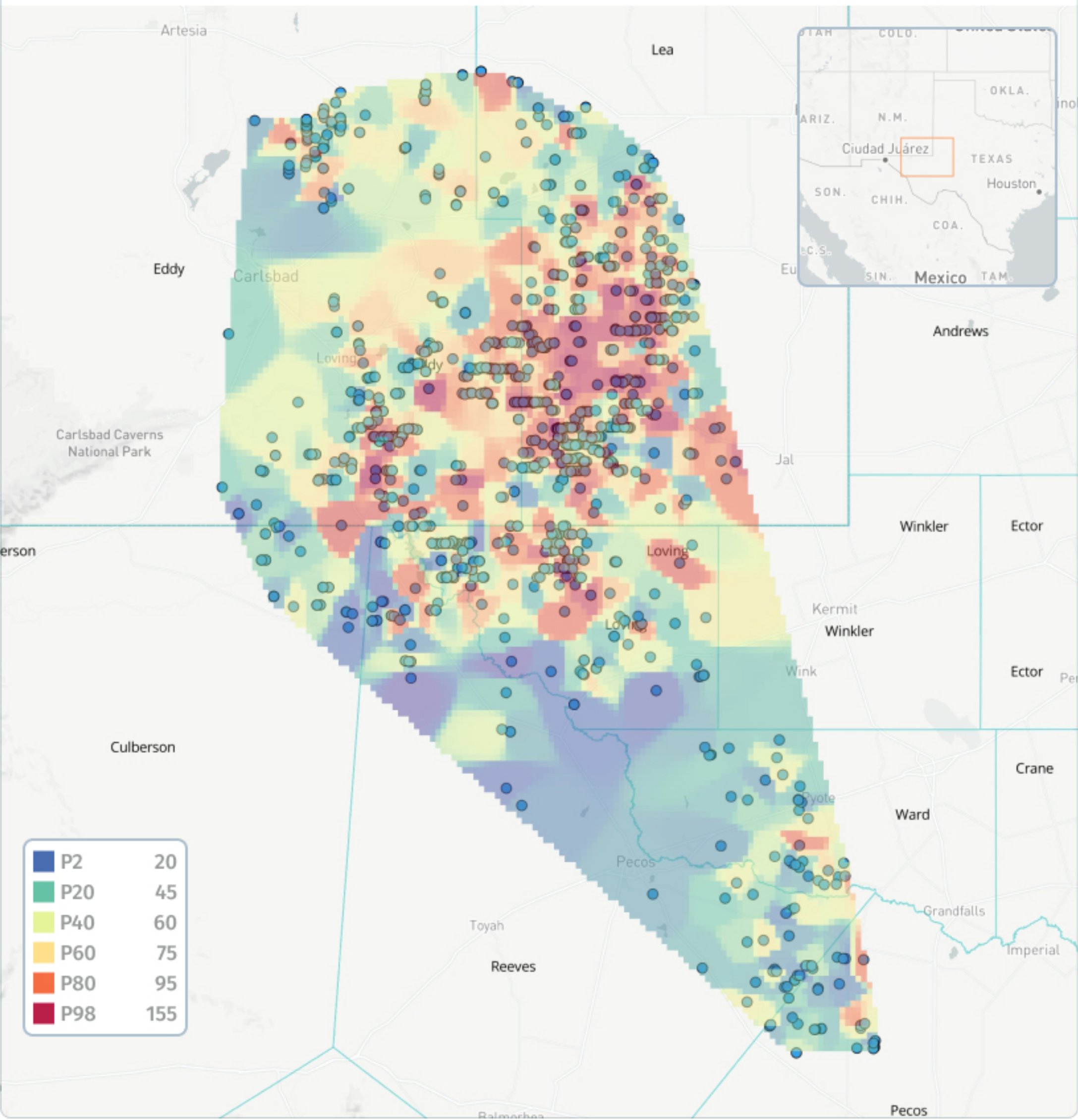
MCF/FT

Oil Break Even

\$

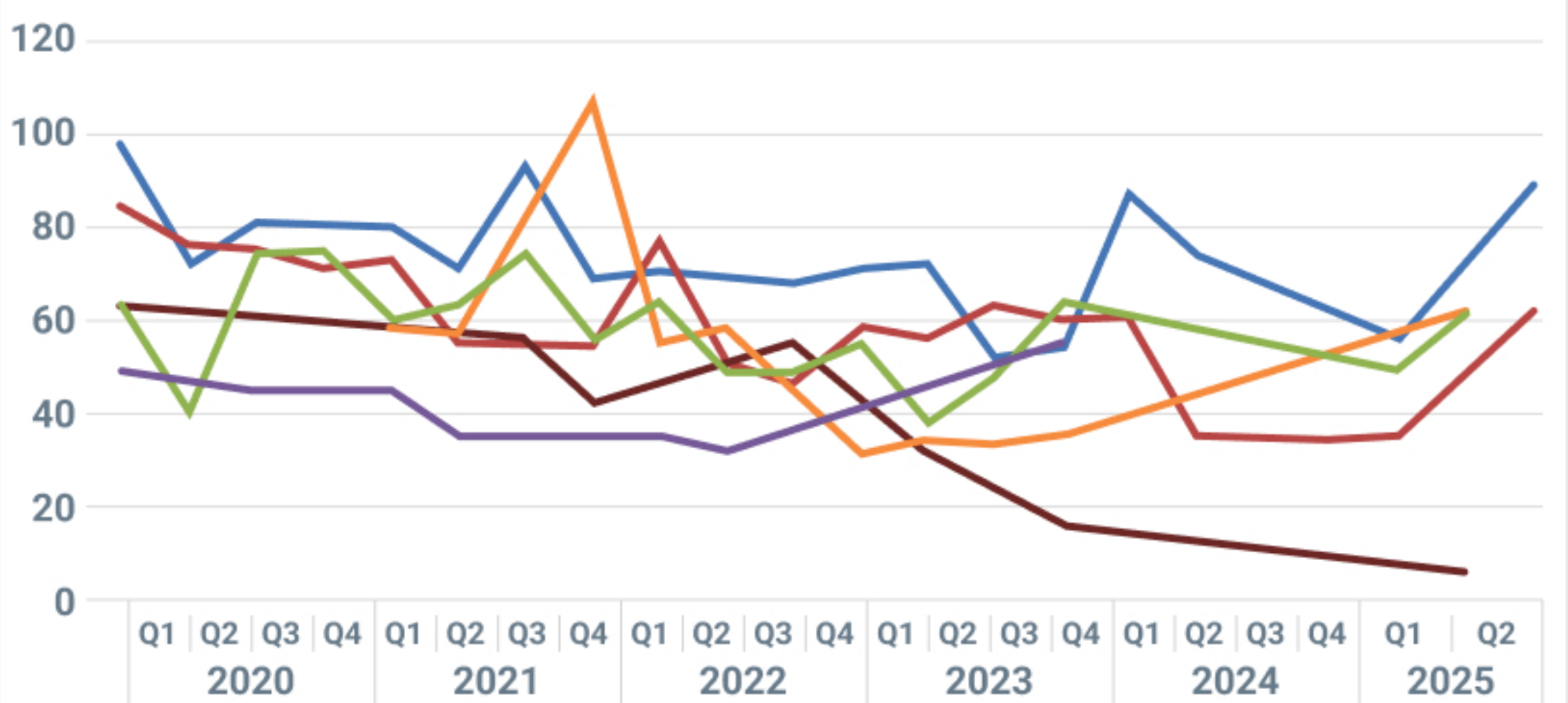
P50 Metrics

by County

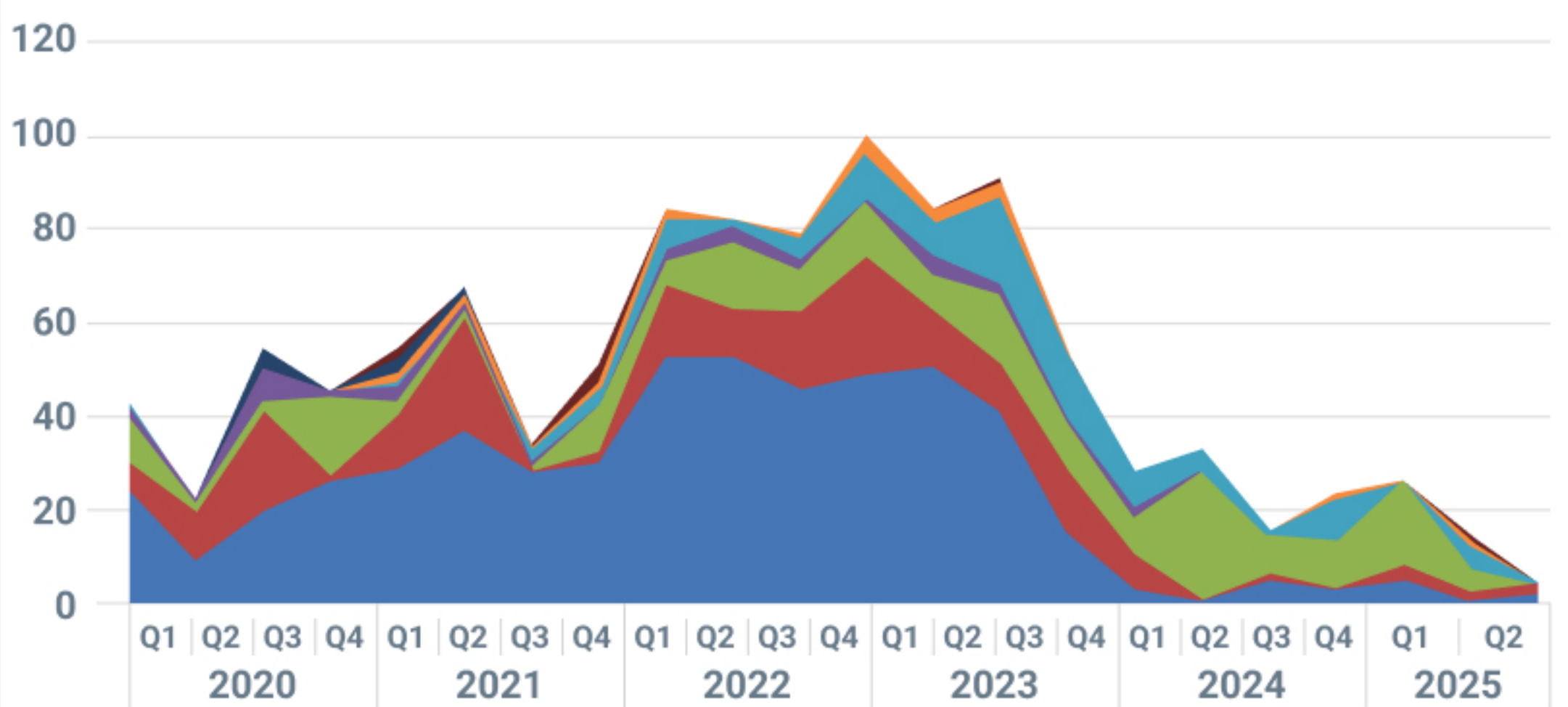


County	Well Count	True Vertical Depth (ft)	Perf Lateral Length (ft)	First 6 Month CUM BOE	Oil EUR/PLL (bbl/ft)	Gas EUR/PLL (mcf/ft)	Oil Breakeven Price (PV10)	IRR (%)	PV10 (M\$)	PV15 (M\$)	Oil/Gas Weighted
LEA	627	10,723	7,508	168.67	78	141	43.44	72	7,347	5,336	
EDDY	455	8,899	9,784	191.6	66	218	45.33	72	6,553	4,804	
LOVING	250	10,066	9,768	177.5	62	245	48.3	59	5,104	3,374	
CULBERSON	28	7,718	10,243	203.54	46	464	53.24	47	2,980	2,217	
WARD	33	10,766	9,752	119.84	47	88	59.02	25	2,153	1,362	
REEVES	70	9,196	9,866	149.81	43	97	64.16	37	1,056	620	
PECOS	25	9,520	9,850	82.3	45	66	72.28	13	804	-82	

Oil EUR/PLL by County



Well Activity by County



Reservoir Characteristics

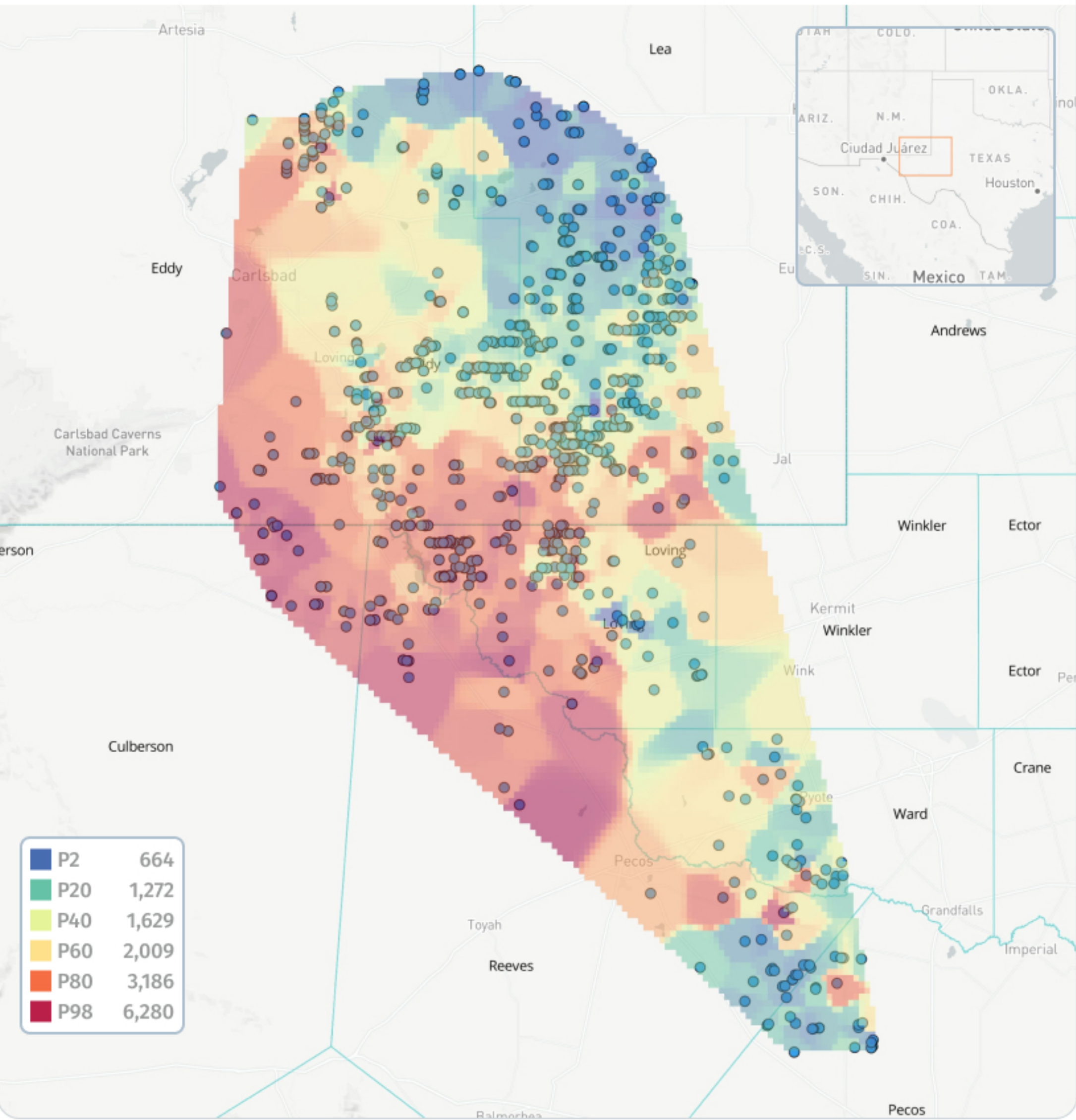
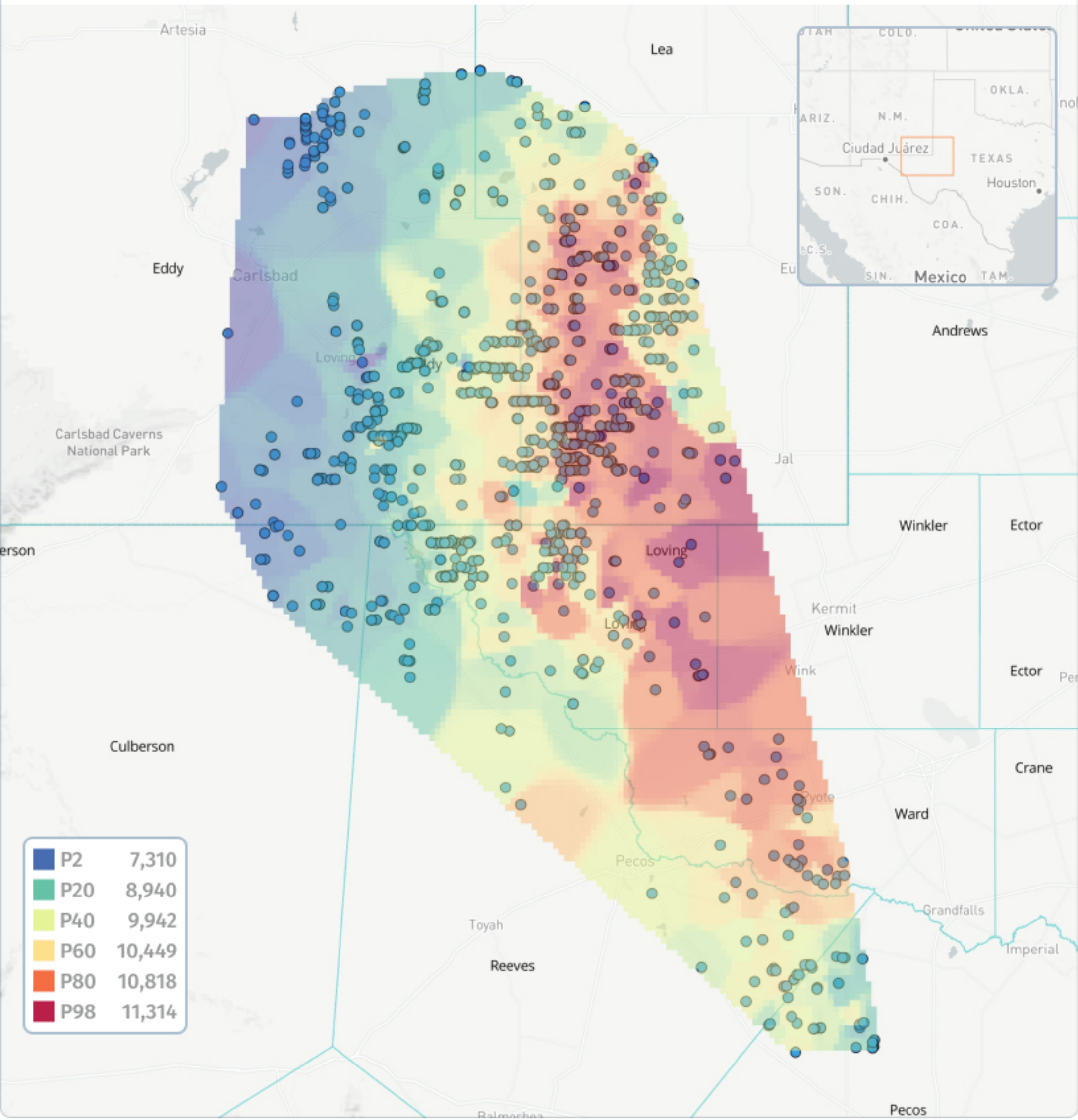
True Vertical Depth

FT

First 6 GOR

SCF/STB

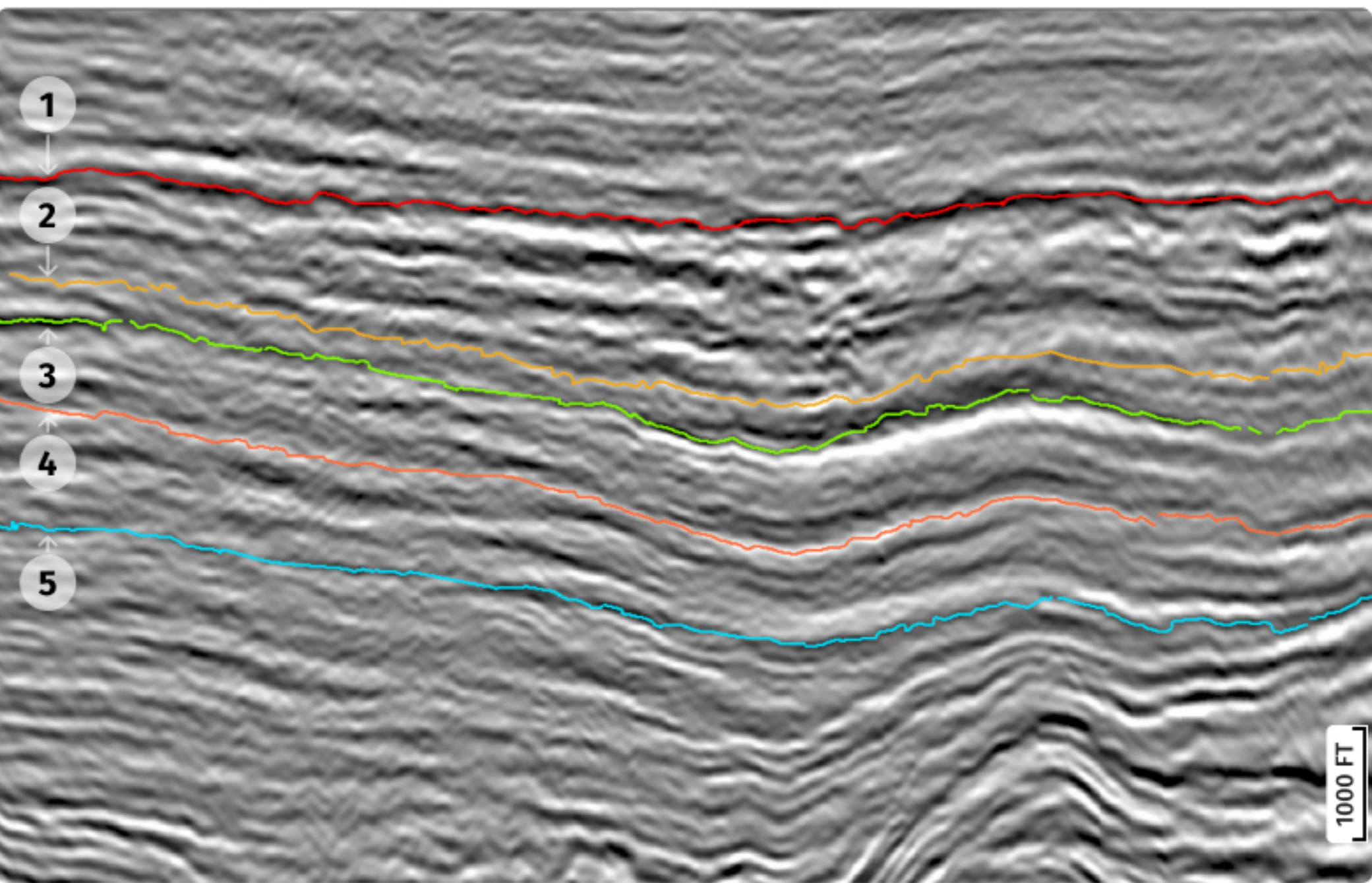
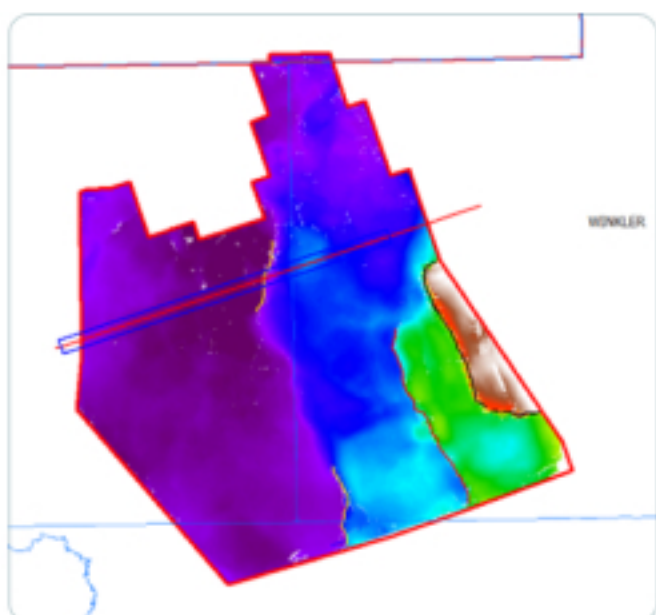
Stratigraphic Column



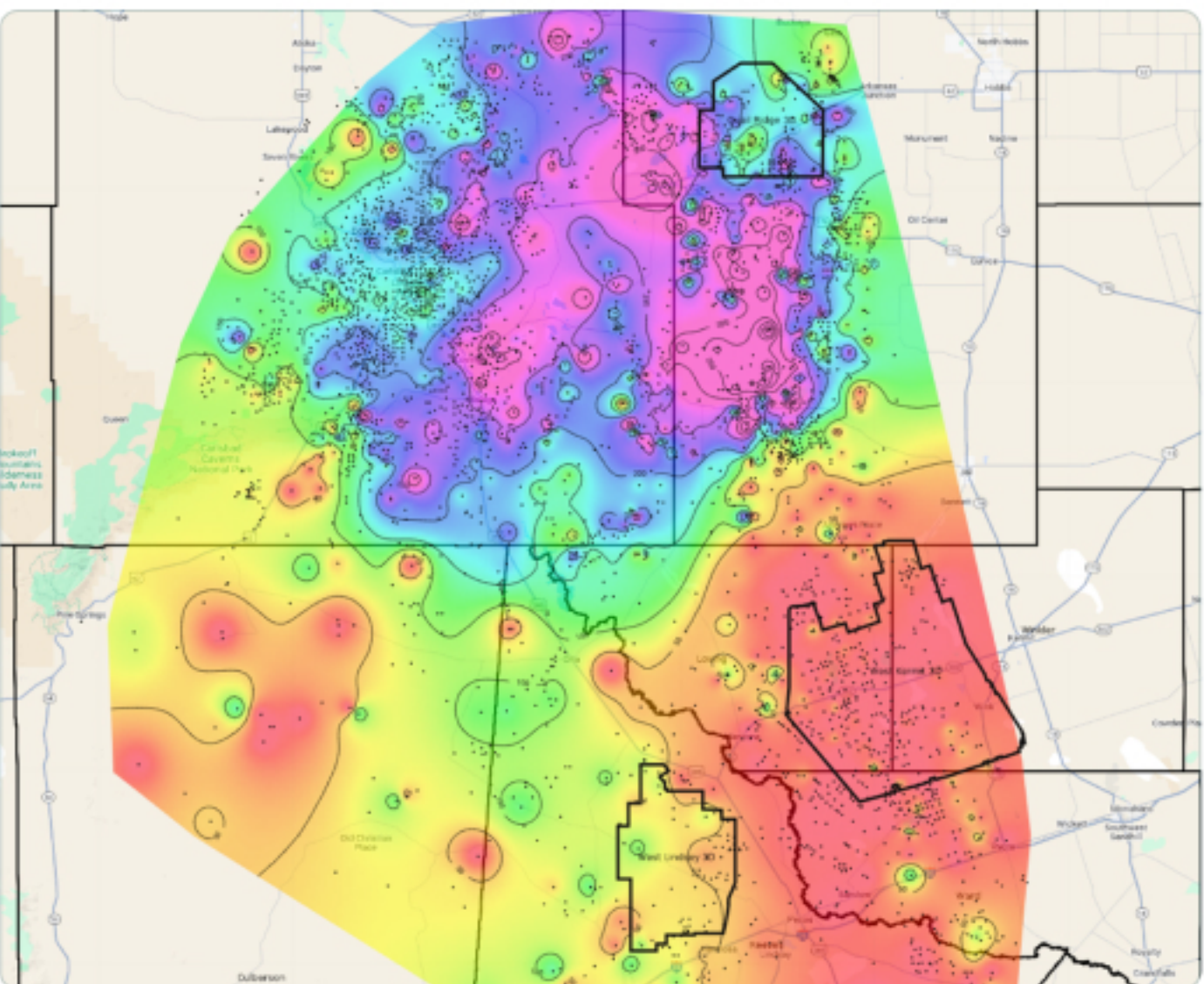
DELAWARE		MIDLAND
Permian	Top Bone Spring	Clearfork
	1st Bone Spring Sand	Upper Spraberry
	2nd Bone Spring Lime	Middle Spraberry
	2nd Bone Spring Sand	Lower Spraberry
	3rd Bone Spring Lime	
	3rd Bone Spring Lime Sand	Lower Spraberry Shale
	3rd Bone Spring Sand	Dean Sand
	Wolfcamp A	
	Wolfcamp X	Wolfcamp A
	Wolfcamp Y	
Penn.	Wolfcamp Shale	Wolfcamp B
	Wolfcamp B	Wolfcamp C
	Middle Wolfcamp	Wolfcamp D
Miss.	Cisco	
	Strawn	Strawn
	Barnett	Barnett
	Mississippi Lime	Mississippi Lime
	Woodford Shale	Woodford Shale

TGS West Kermit 3D shows depositional and structural variability of the Bone Spring Section.

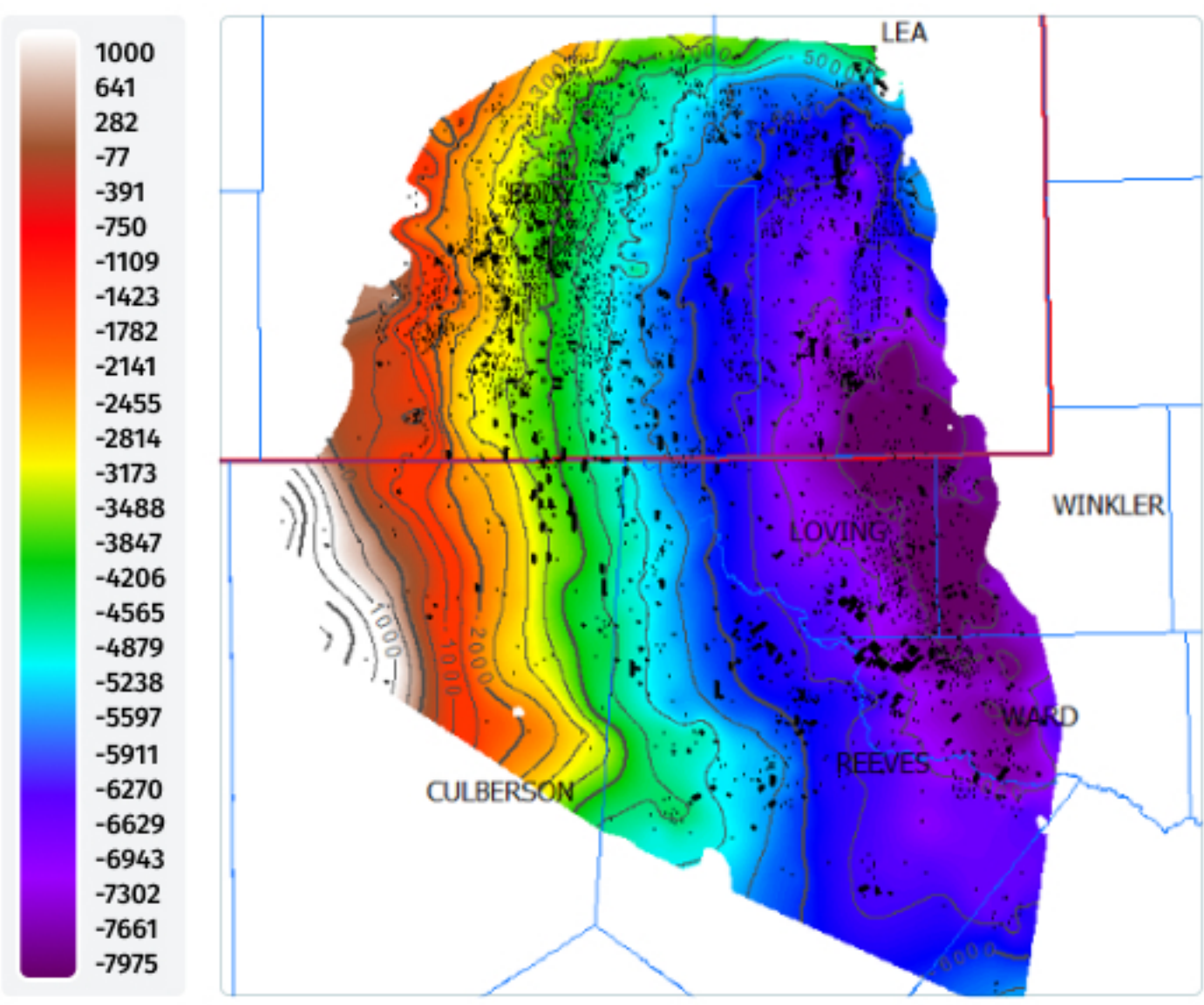
- 1 Upper Bone Spring
- 2 2nd Sand
- 3 3rd Lime
- 4 Wolfcamp A-B
- 5 Wolfcamp C-D



Resistivity and porosity cutoffs show clear thickness trend for the 2BS



2nd Bone Spring Sand Structure



INPUTS

WELL ASSUMPTIONS

Well Count 1,488

PLL (FT) P50 8,251

Proppant Loading (LB/FT) P 50 2,411

BREAKEVEN ASSUMPTIONS

WI/NRI 100% / 75%

Diff's -\$5/ bbl oil

-\$1.25/ MMBTU gas

Fixed Cost \$20,000 1-6mo

\$15,000 7-18 mo

\$7,500 to ECL

Oil OPEX \$1.5/bbl

Water disp \$1.5/bbl

Drill Cost \$375/PLL

Completion Cost \$518/PLL

Abandonment \$100,000

Perforated Lateral Length (ft) PLL

Standard Cubic Feet SCF

Barrel BBL

Stock Tank Barrel STB