

WELL PERFORMANCE

Oil EUR/PLL

BBL/FT

Gas EUR/PLL

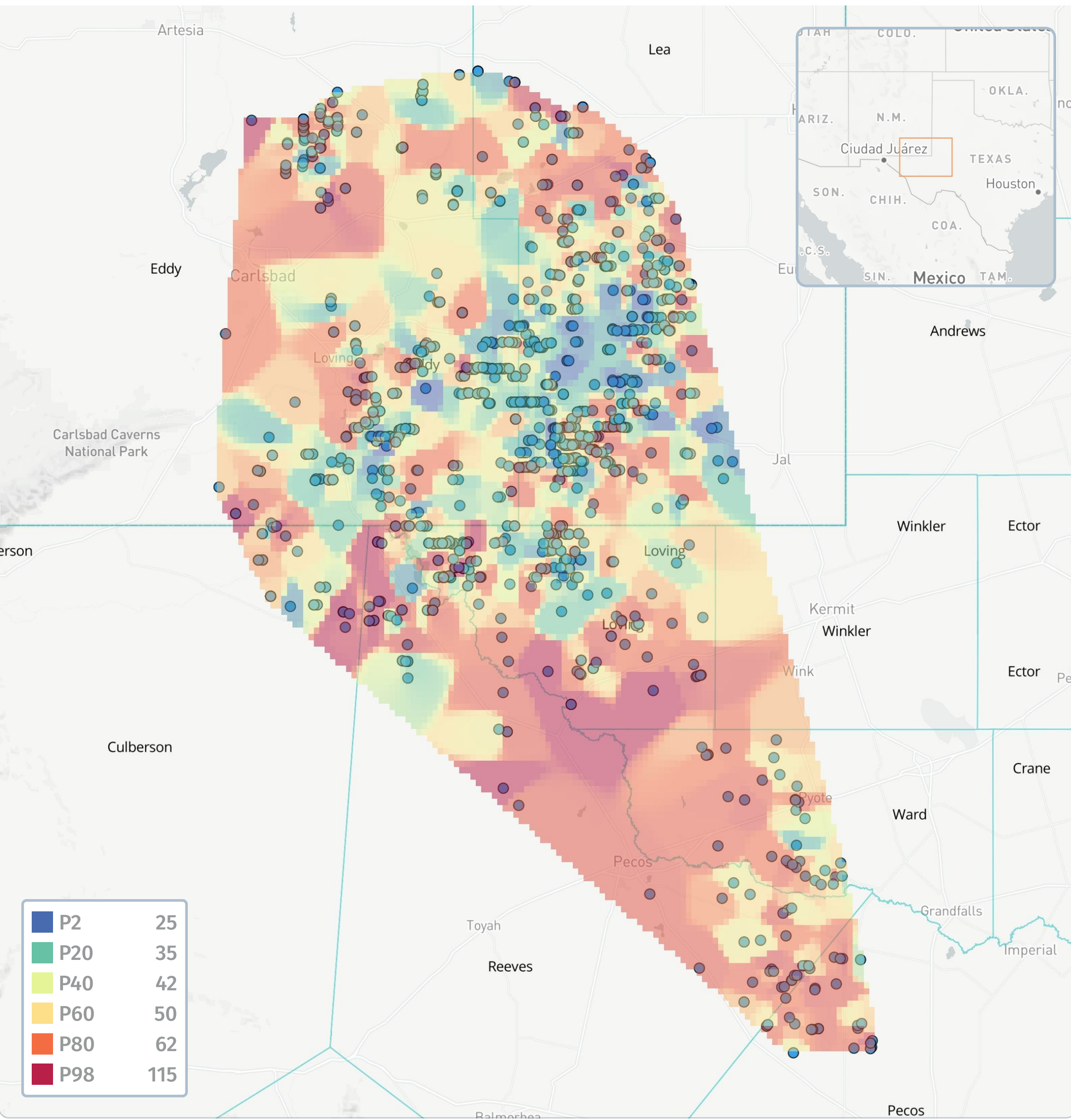
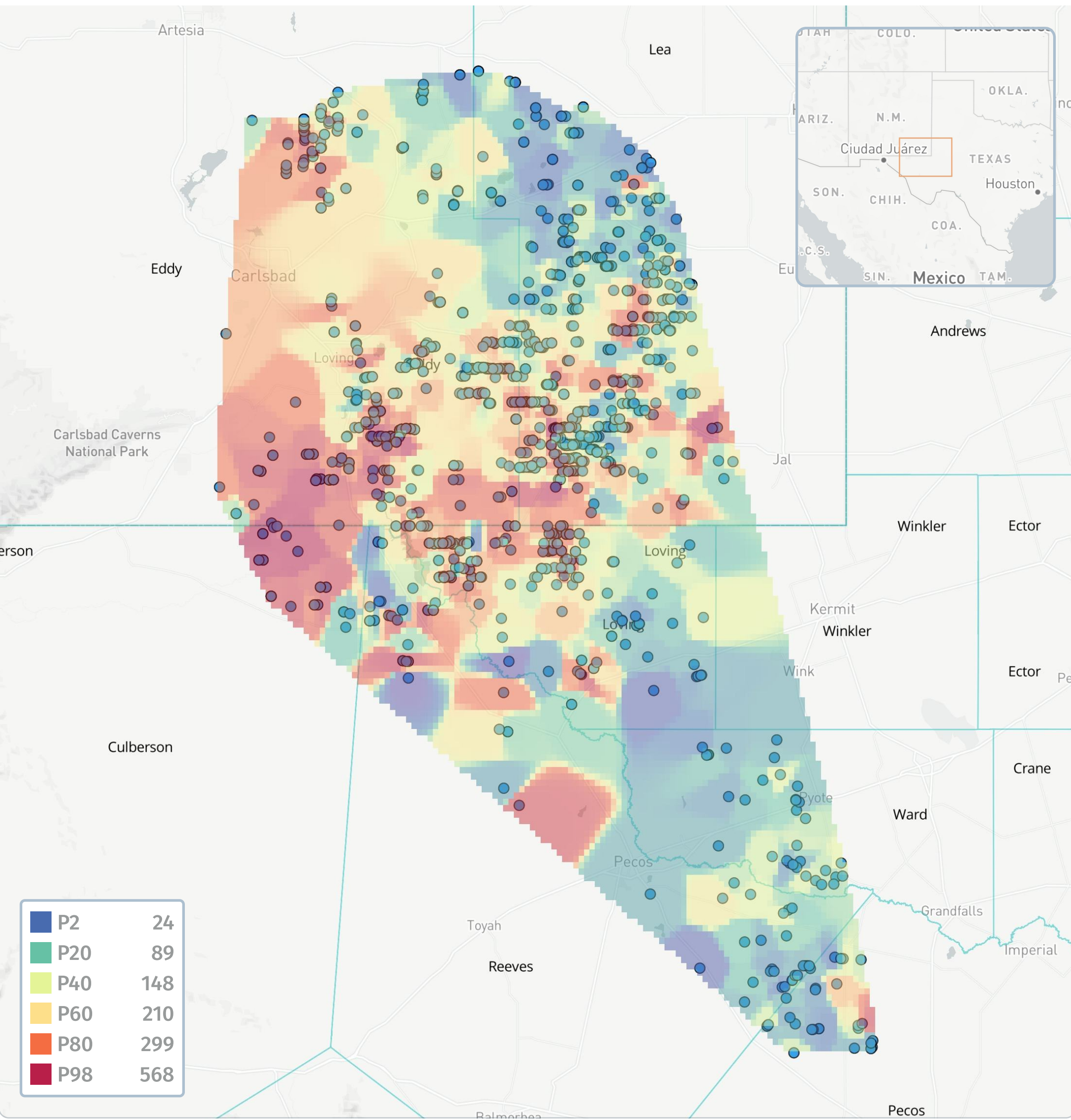
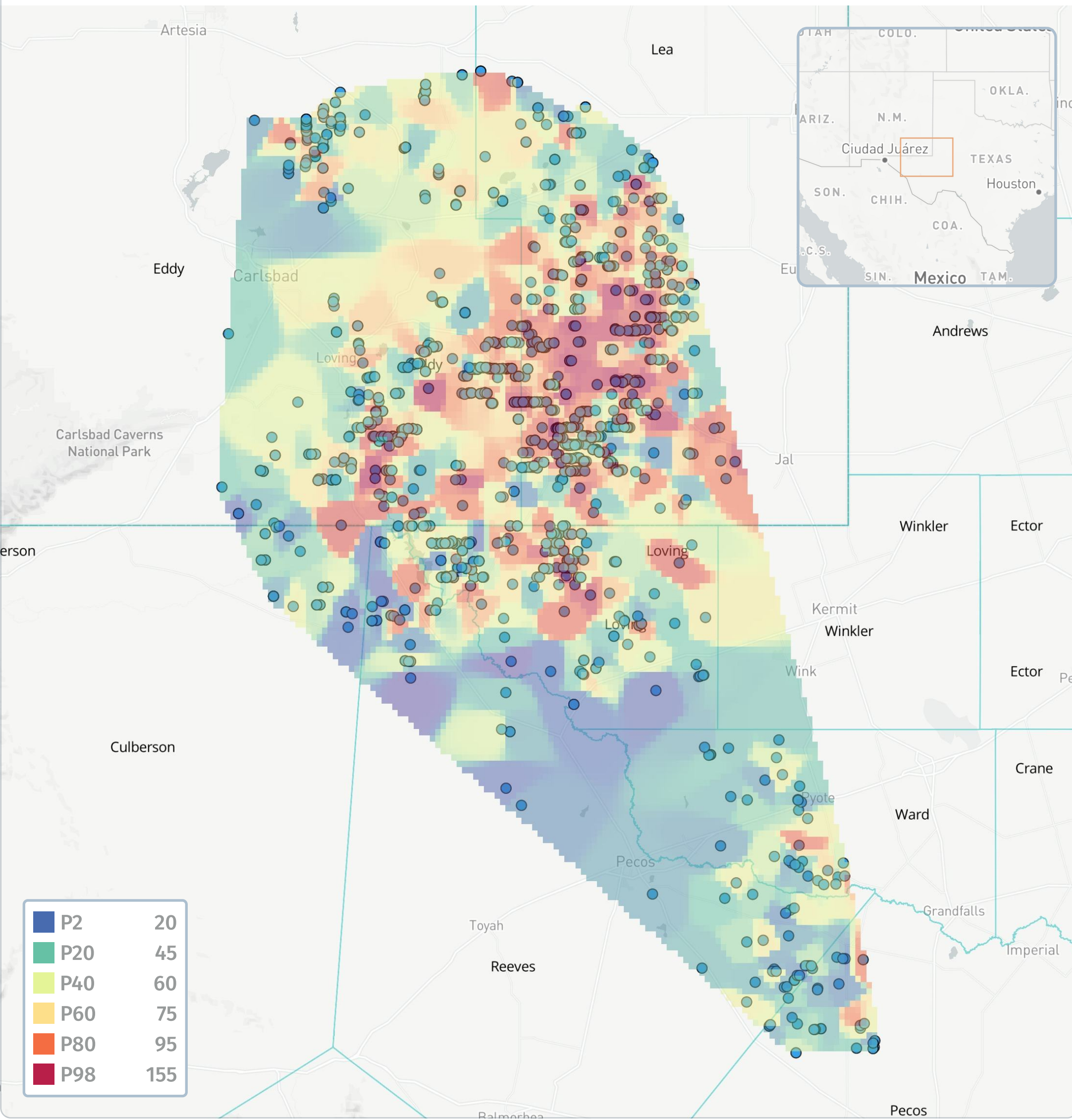
MCF/FT

Oil Break Even

\$

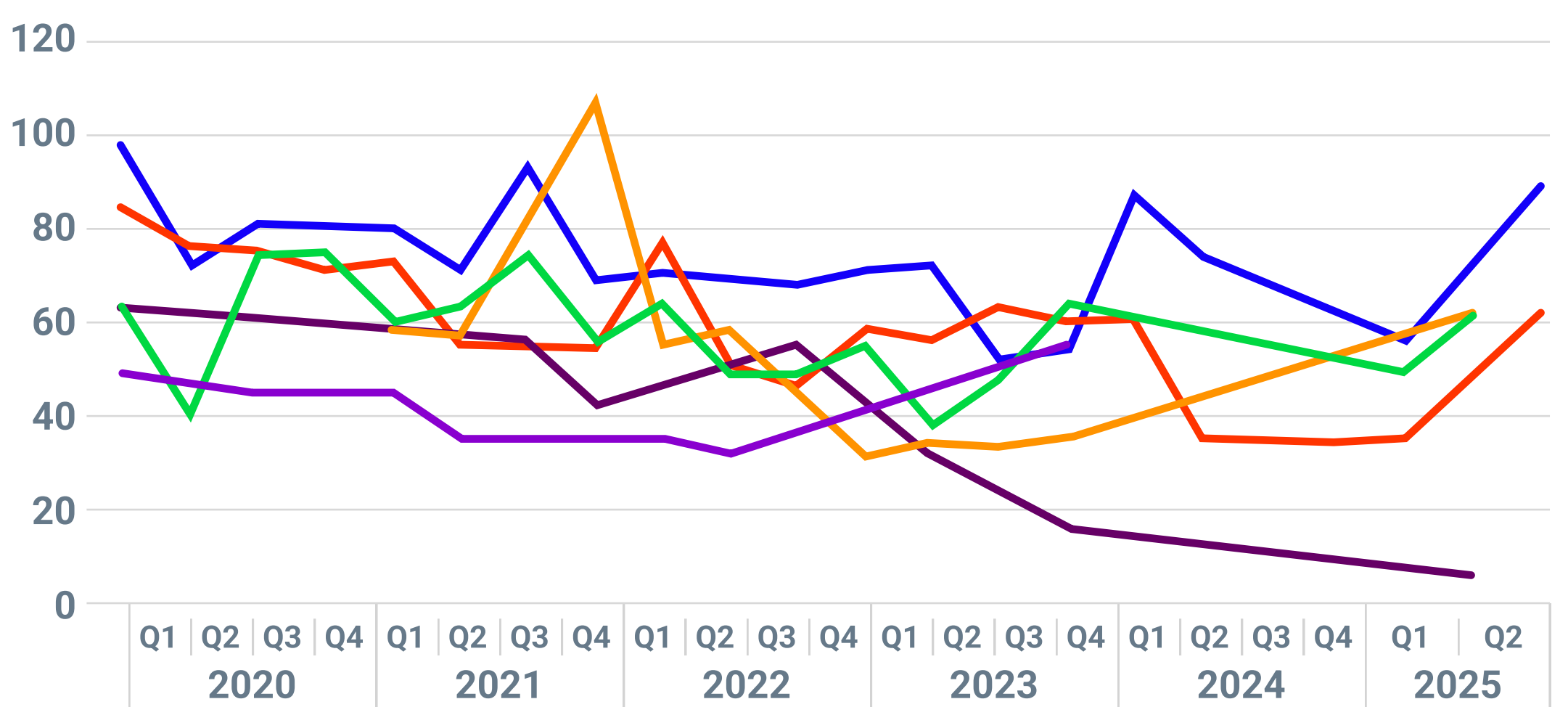
P50 Metrics

by County

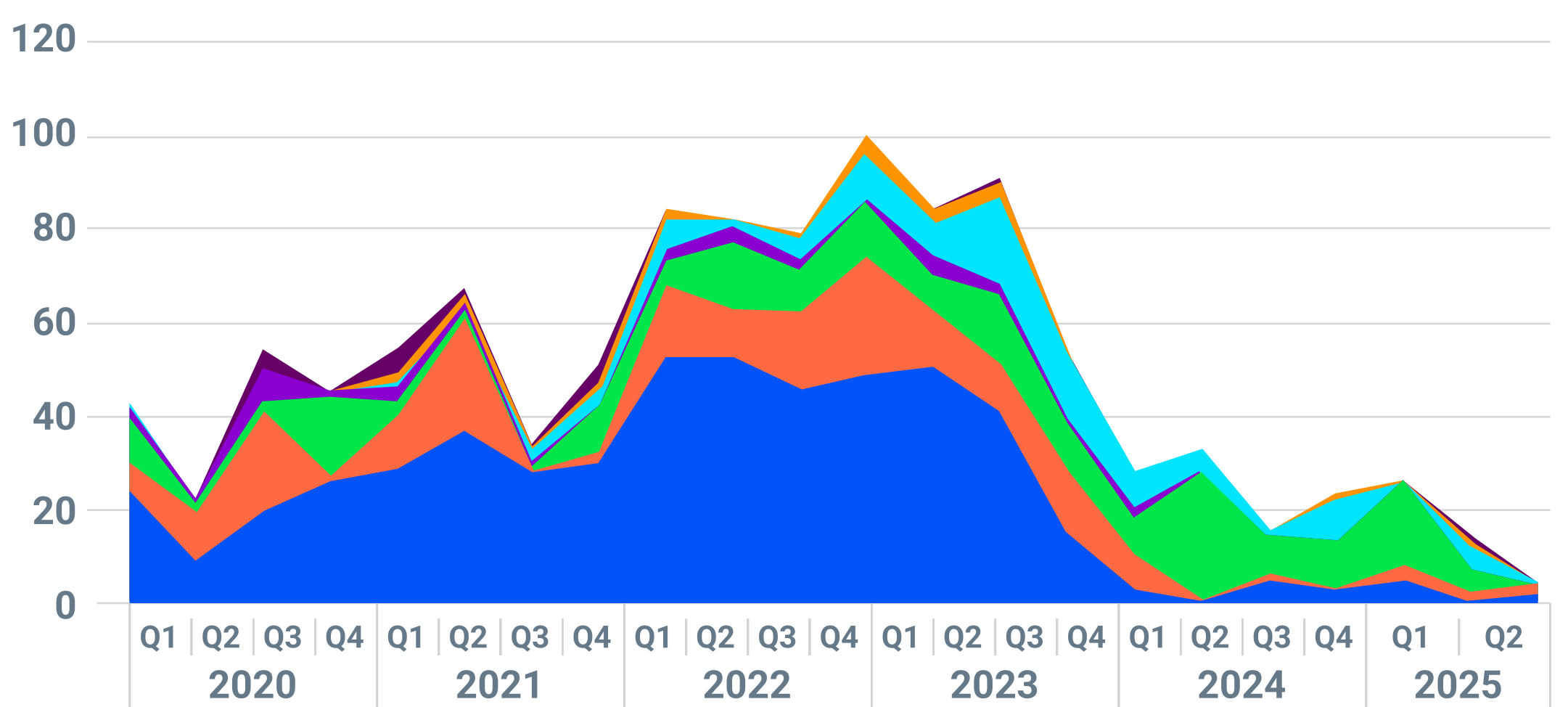


County	Well Count	True Vertical Depth (ft)	Perf Lateral Length (ft)	First 6 Month CUM BOE	Oil EUR/PLL (bbl/ft)	Gas EUR/PLL (mcf/ft)	Oil Breakeven Price (PV10)	IRR (%)	PV10 (M\$)	PV15 (M\$)	Oil/Gas Weighted
LEA	627	10,723	7,508	168.67	78	141	43.44	72	7,347	5,336	
EDDY	455	8,899	9,784	191.6	66	218	45.33	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



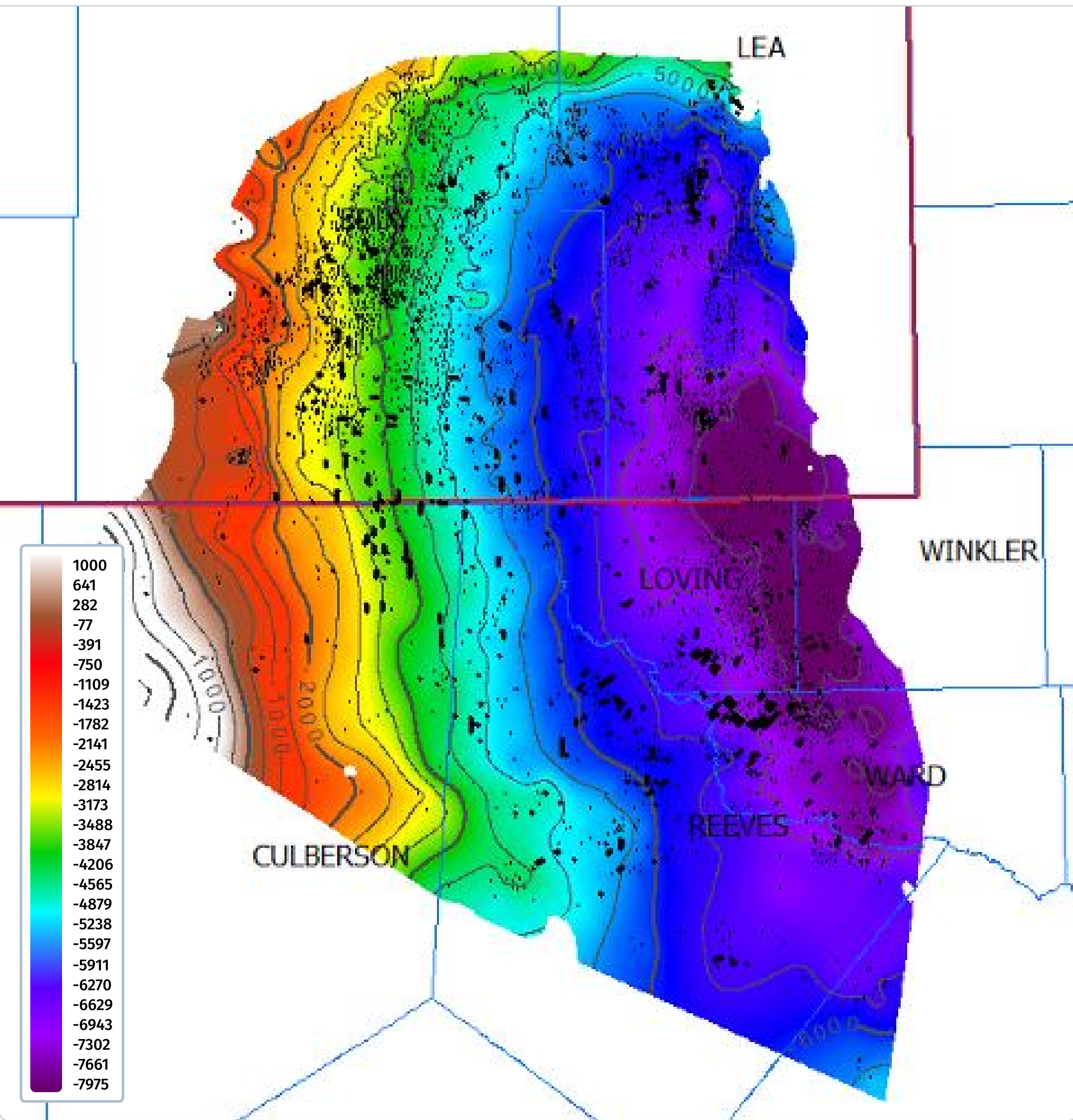
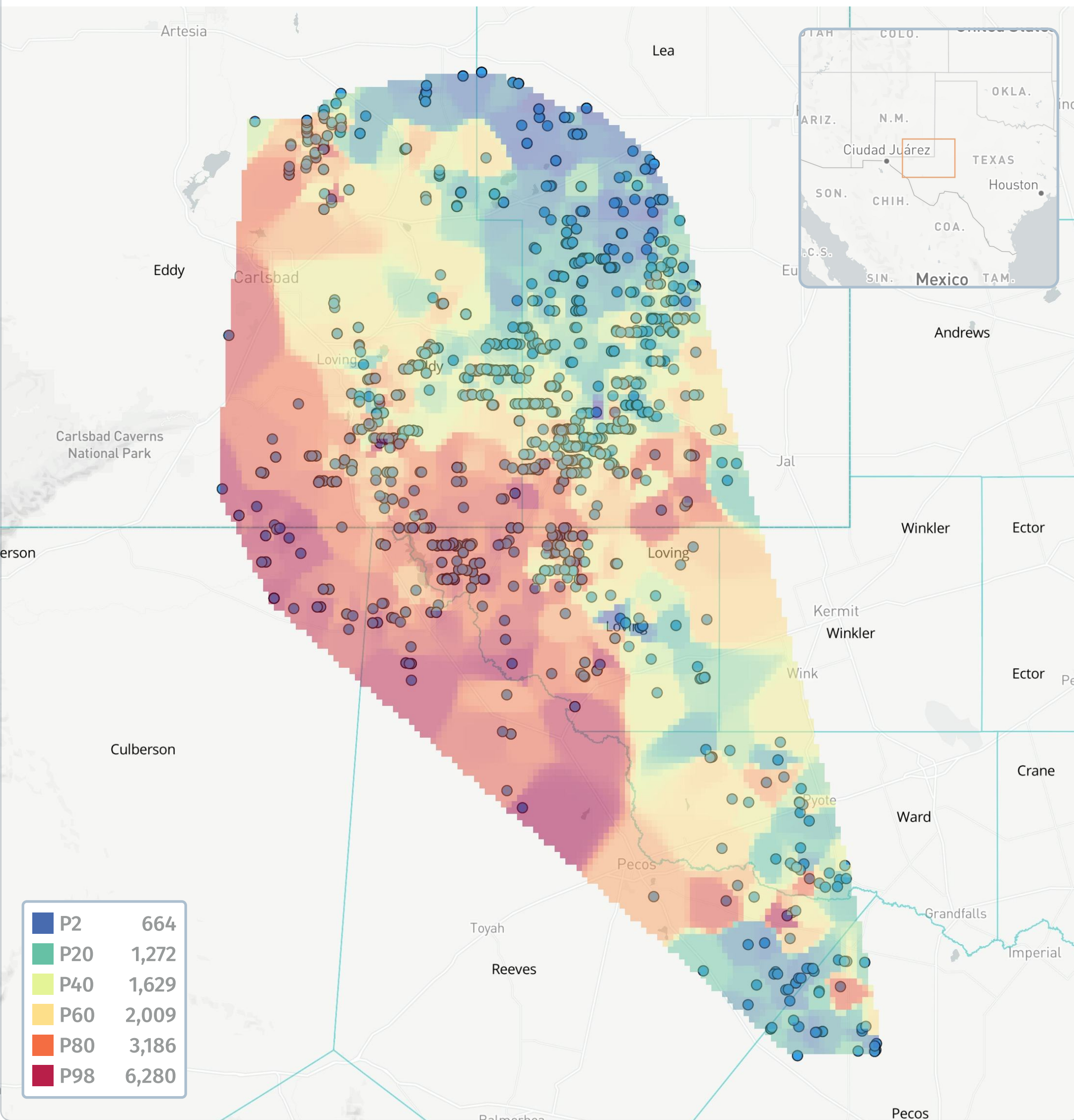
RESERVOIR CHARACTERISTICS

First 6 GOR

SCF/STB

2nd Bone Spring Sand Structure

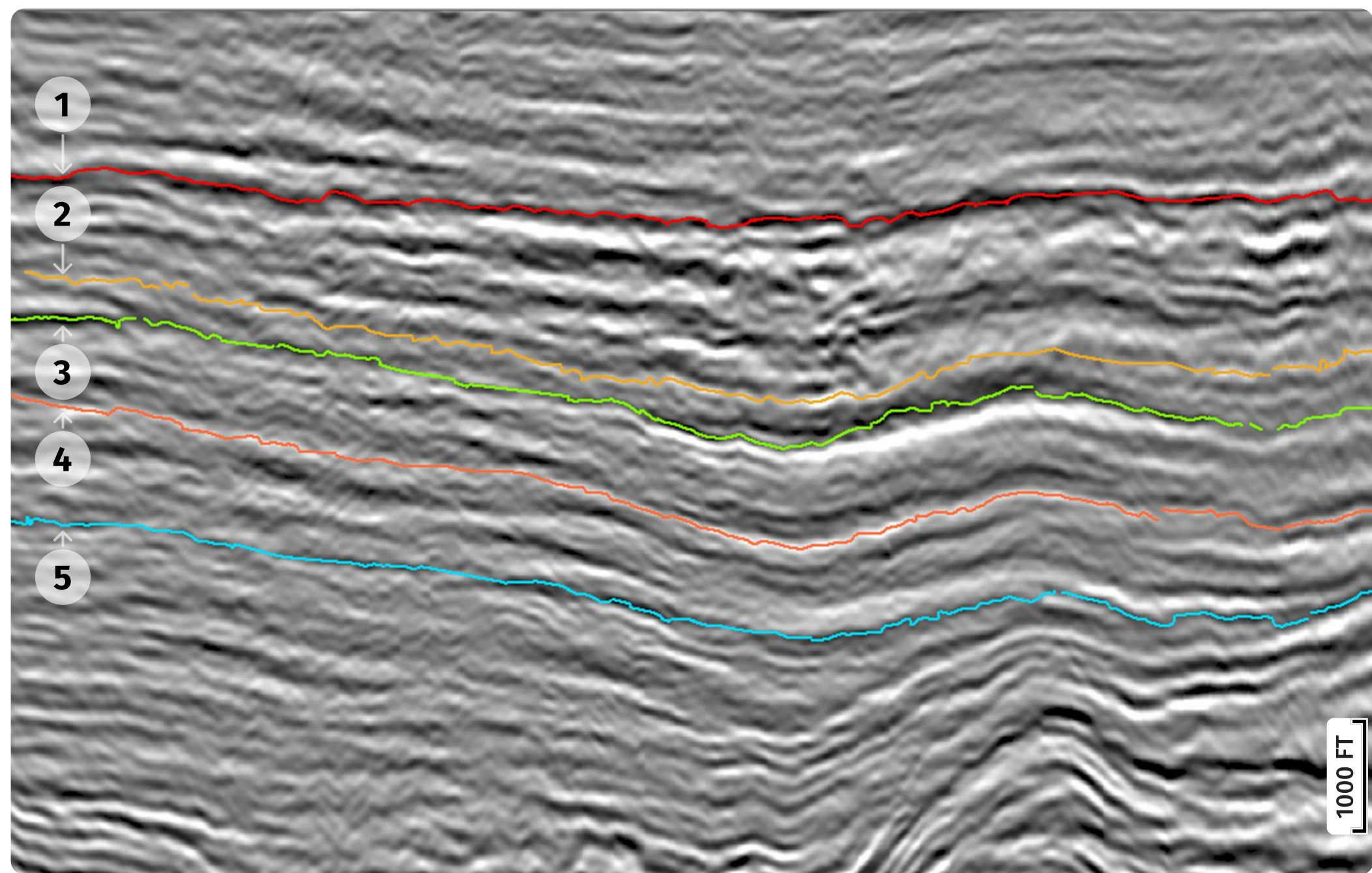
Stratigraphic Column



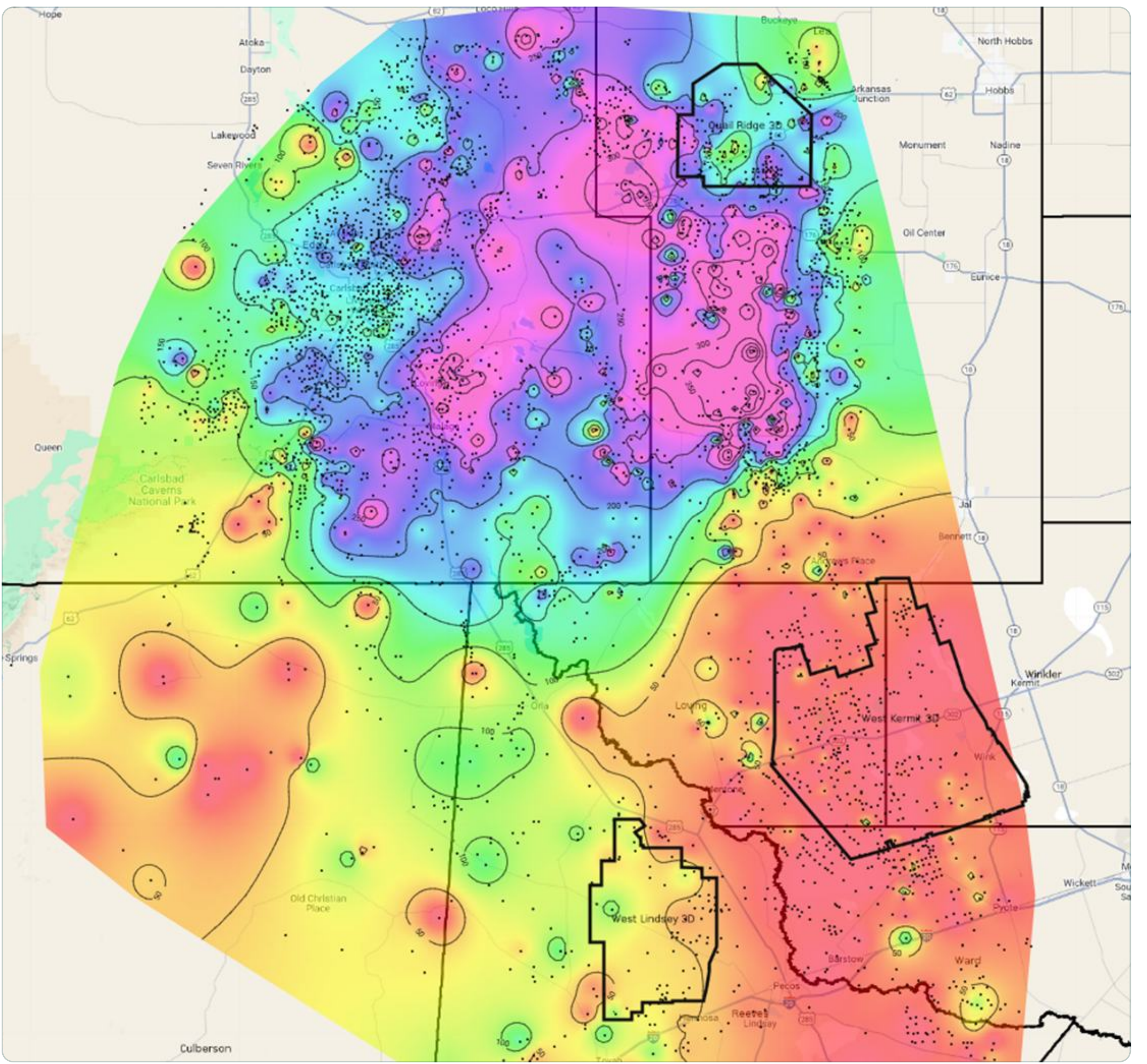
DELAWARE	MIDLAND
Top Bone Spring	Clearfork
1st Bone Spring Sand	Upper Spraberry
2nd Bone Spring Lime	Middle Spraberry
2nd Bone Spring Sand	Lower Spraberry
3rd Bone Spring Lime	
3rd Bone Spring Lime Sand	Lower Spraberry Shale
3rd Bone Spring Sand	Dean Sand
Wolfcamp A	
Wolfcamp X	Wolfcamp A
Wolfcamp Y	
Wolfcamp Shale	
Wolfcamp B	Wolfcamp B
Middle Wolfcamp	Wolfcamp C
	Wolfcamp D
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



INPUTS

WELL ASSUMPTIONS

Well Count1,488

PLL (FT) P508,251

Proppant Loading (LB/FT) P 502,411

BREAKEVEN ASSUMPTIONS

WI/NRI100% / 75%

Diff-\$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