EVALUATION OF THE INTERESTS OF

FIRST STAR RESOURCES INC.

IN THE MANAHUILLA CREEK FIELD

GOLIAD COUNTY, TEXAS

(Escalated Prices and Costs Case)

Prepared For

First Star Resources Inc.

By

Petrotech Engineering Ltd.

Effective Date

January 1, 2004

Table of Contents

PETROTECH ENGINEERING LTD.

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February 5, 2004

Ref: 04 - 03

First Star Resources Inc.
214 - 1118 Homer Street
Vancouver, B. C., Canada V6B 6L5

Attention: Mr. William Wishart, President and Director

Dear Sirs:

Re: Evaluation of the Interests of First Star Resources Inc.'s
Manahuilla Creek Field in Goliad County, Texas

At your request, we have prepared an engineering and economic evaluation of the interests of First Star Resources Inc. (here-in-after referred to as the "Company"). The evaluation is prepared using an effective date of January 1, 2004. The purpose of this evaluation is for acquisition and regulatory filing.

The Company has acquired 1,265 acres of leases in the Manahuilla Creek field area subject to 25% royalty. There are three seismic lines on the property and two of the lines define the possible structure of the Yegua sands on the property. The Company is required to pay 10.0% of the costs of the first produced well to earn 7.5% working interest. All subsequent development wells are subject to paying 7.5% of the costs.

This evaluation uses the definition of reserves category from the Canadian Oil and Gas Evaluation Handbook and conforms to NI 51-101 (Standards of Disclosure for Oil & Gas Activities). The net cash flow is calculated at **escalated prices and costs** and **constant prices and costs** on the probable and possible reserves, to all future time and after deduction of the acquisition costs, royalties, ad Valorem tax but before income tax. All cash flow data is in U. S. dollars. A summary of the Company's net share of probable and possible reserves and net share of the future net revenue undiscounted and discounted at 10% is presented as follows:

	Gross to the Company		Net to the Company	
Reserve Category	Gas	Condensate	Gas	Condensate
Escalated & Constant Cases	(MMcf)	(bbl)	(MMcf)	(bbl)
Probable	256.5	1,282	192.4	962
Possible	2,308.4	11,542	1,731.3	8,656
Probable + Possible	2,564.9	12,824	1,923.7	9,618

Reserve Category	Present Worth Net Cash Flow (in $M) Discounted @			
Escalated Case	0%	10%	15%	20%
Probable	384	256	214	181
Possible	4,510	2,962	2,458	2,062
Probable + Possible	4,894	3,218	2,672	2,243

Reserve Category	Present Worth Net Cash Flow (in $M) Discounted @			
Constant Case	0%	10%	15%	20%
Probable	772	540	465	406
Possible	8,223	5,525	4,656	3,976
Probable + Possible	8,995	6,065	5,121	4,382

Details of the reserves and cash flow forecasts are in Tables 1 to 6. The escalated case uses the price forecasts of Gilbert Lausten Jung Associates (www.glja.com and the forecasts is attached) and the constant case uses the gas price of $6.49/mmbtu (Henry Hub price on January 2, 2004) and the condensate price of $30.50 per barrel. The gross reserve is the Company's share of production before royalties and the net reserve is the Company's share of production after deduction of royalties.

The estimated cash flow values do not represent a fair market value. The abandonment costs of these wells have not been included as the salvage values of the wellhead, tubing, and facilities are estimated to be the same.

In reviewing the reserves estimates provided, it should be understood that there are inherent uncertainties and limitations with both the database available for analysis and the interpretation of such engineering and geological data. The judgements used in assessing the reserves are considered reasonable given the knowledge of the property reviewed. Pertinent information such as extent and character of ownership and all factual data submitted by the Company and the Company's representatives are believed to be true. The abandonment costs of the wells are assuming to be recovered from the salvage value of the wellhead facilities. A field inspection of the properties was not conducted due to the available data.

If additional information is required, please advise.

Respectfully Submitted,

Petrotech Engineering Ltd.

John Yu, P. Eng.

TABLE 1 - PROBABLE + POSSIBLE RESERVES & ECONOMIC FORECASTS OF THE EXPLORATION PROJECT (ESCALATED CASE)
YEGUA SAND, MANAHUILLA CREEK PROSPECT, GOLIAD COUNTY, TEXAS

Assumptions: Working Interest = 7.5% (Pay 10.0% on the first produced well only and all development well costs are heads up)
Gas Price = as per Gilbert Lausten Jung Associates forecast price of January 2004
Condensate Price = as per Gilbert Lausten Jung Associates forecast price of January 2004
Total Royalty = 25%, ad Valorem tax = 7.5% for gas and 4.6% for condensate
Prospect Costs = $300,000, Seismic Costs = $200,000 after discovery well
Capital Cost for drilling and completion = $700,000 for the first well
Capital Cost for drilling and completion = $600,000/development well for a total of 9 wells
Operating Cost = $1,500 per well per month and variable cost at $0.50/Mcf and escalating at 1.5% per year
Production starts in May 2004 for discovery well and January 2005 for development wells
Prod. Rate = 1,250 Mcf/d per well in the first 8 months in the discovery well and 1,000 Mcf/d/well in the first year for the development wells
Decline Rate = 725 Mcf/d and 690 Mcf/d in the next 12 months in the discovery well and development wells respectively, and 25% per year thereafter
Mid-point Discounting & Escalated Costs and Prices
Effective Date - January 1, 2004

	100% W.I.					Company's Share of W. I. after royalties									
Year	Gross Gas (Mcf)	Net Gas (Mcf)	Net Condensate (bbl)	Gas Price ($/mmbtu)	Oil Price ($/bbl)	Revenue ($)	ad Valorem Tax ($)	Capital Costs ($)	No. of Wells	Operating Costs ($)	Undisc'd Cash Flow ($)	P.W.Disc. @ 10% ($)	P.W.Disc. @ 15% ($)	P.W.Disc. @ 20% ($)	P.W.Disc. @ 25% ($)
1	300,000	16,875	84	5.10	29.00	88,509	6,567	520,000	1	12,150	-450,208	-429,768	-420,854	-412,706	-405,187
2	3,403,750	191,461	957	4.50	26.00	886,464	65,763	0	10	143,258	677,443	587,885	550,694	517,431	487,759
3	2,363,813	132,964	665	4.35	25.00	595,016	44,144	0	10	105,230	445,641	351,567	315,024	283,651	256,689
4	1,772,859	99,723	499	4.35	25.00	446,262	33,108	0	10	83,636	329,518	236,330	202,555	174,776	151,842
5	1,329,645	74,793	374	4.35	25.00	334,696	24,831	0	10	67,250	242,616	158,185	129,702	107,236	89,428
6	997,233	56,094	280	4.35	25.00	251,022	18,623	0	10	54,830	177,569	105,245	82,552	65,399	52,365
7	747,925	42,071	210	4.35	25.00	188,267	13,968	0	10	45,429	128,870	69,448	52,089	39,550	30,400
8	560,944	31,553	158	4.35	25.00	141,200	10,476	0	10	38,329	92,396	45,265	32,477	23,626	17,435
9	420,708	23,665	118	4.35	25.00	105,900	7,857	0	10	32,980	65,064	28,973	19,883	13,872	9,825
10	315,531	17,749	89	4.35	25.00	79,425	5,893	0	10	24,334	49,198	19,916	13,072	8,743	5,943
11	236,648	13,311	67	4.35	25.00	59,569	4,419	0	10	26,764	28,386	10,446	6,560	4,201	2,742
12	177,486	9,984	50	4.42	25.38	45,347	3,364	0	10	19,223	22,759	7,615	4,572	2,809	1,759
13	132,666	7,462	37	4.48	25.76	34,404	2,552	0	10	22,120	9,731	2,959	1,700	1,000	601
14	65,192	3,667	18	4.55	26.14	17,160	1,273	0	9	11,741	4,145	1,146	630	355	205
Total	12,824,400	721,373	3,607			3,273,241	242,839	520,000		687,274	1,823,129	1,195,212	990,656	829,943	701,808

Present Worth Cash Flow Discounted @	($)
0%	1,823,129
10%	1,195,212
15%	990,656
20%	829,943
25%	701,808

TABLE 2 - PROBABLE + POSSIBLE RESERVES & ECONOMIC FORECASTS OF THE EXPLORATION PROJECT (CONSTANT CASE)
YEGUA SAND, MANAHUILLA CREEK PROSPECT, GOLIAD COUNTY, TEXAS

Assumptions: Working Interest = 7.5% (Pay 10.0% on the first produced well only and all development well costs are heads up)
Gas Price = $6.49/MMbtu (same as Henry Hub price on January 2, 2004)
Condensate Price = $30.50 per barrel
Total Royalty = 25%, ad Valorem tax = 7.5% for gas and 4.6% for condensate
Prospect Costs = $300,000, Seismic Costs = $200,000 after discovery well
Capital Cost for drilling and completion = $700,000 for the first well
Capital Cost for drilling and completion = $600,000/development well for a total of 7 wells
Operating Cost = $1,500 per well per month and variable cost at $0.50/Mcf
Production starts in January 2004 for discovery well and November 2004 for development wells
Prod. Rate = 1,500 Mcf/d per well in the first 6 months in the discovery well and 1,000 Mcf/d/well in the first year for the development wells
Decline Rate = 750 Mcf/d and 690 Mcf/d in the next 12 months in the discovery well and development wells respectively, and 25% per year thereafter
Mid-point Discounting & Constant Costs and Prices
Effective Date - January 1, 2004

	100% W.I.	<---------- Company's Share of W. I. after royalties ---------->											
Year	Gross Gas (Mcf)	Net Gas (Mcf)	Net Condensate (bbl)	Revenue ($)	ad Valorem Tax ($)	Capital Costs ($)	No. of Wells	Operating Costs ($)	Undisc'd Cash Flow ($)	P.W.Disc. @ 10% ($)	P.W.Disc. @ 15% ($)	P.W.Disc. @ 20% ($)	P.W.Disc. @ 25% ($)
1	300,000	16,875	84	112,092	5,802	520,000	1	12,150	-425,859	-406,525	-398,093	-390,385	-383,273
2	3,403,750	191,461	957	1,271,779	65,823	0	10	141,141	1,064,815	924,047	865,588	813,306	766,667
3	2,363,813	132,964	665	883,216	45,713	0	10	102,143	735,361	580,126	519,827	468,057	423,568
4	1,772,859	99,723	499	662,412	34,284	0	10	79,982	548,146	393,130	336,945	290,736	252,586
5	1,329,645	74,793	374	496,809	25,713	0	10	63,362	407,734	265,843	217,975	180,219	150,291
6	997,233	56,094	280	372,607	19,285	0	10	50,896	302,426	179,248	140,598	111,383	89,185
7	747,925	42,071	210	279,455	14,464	0	10	41,547	223,444	120,414	90,316	68,575	52,711
8	560,944	31,553	158	209,591	10,848	0	10	34,535	164,208	80,446	57,719	41,988	30,986
9	420,708	23,665	118	157,194	8,136	0	10	29,277	119,781	53,339	36,605	25,537	18,087
10	315,531	17,749	89	117,895	6,102	0	10	25,332	86,461	34,999	22,973	15,364	10,444
11	236,648	13,311	67	88,421	4,576	0	10	22,374	61,471	22,621	14,206	9,098	5,938
12	177,486	9,984	50	66,316	3,432	0	10	20,156	42,728	14,297	8,584	5,273	3,303
13	132,666	7,462	37	49,570	2,566	0	10	18,250	28,754	8,744	5,023	2,956	1,777
14	65,192	3,667	18	24,358	1,261	0	9	9,532	13,565	3,749	2,061	1,162	671
Total	12,824,400	721,373	3,607	4,791,717	248,004	520,000		650,678	3,373,035	2,274,477	1,920,326	1,643,269	1,422,940

Present Worth Cash Flow Discounted @	($)
0%	3,373,035
10%	2,274,477
15%	1,920,326
20%	1,643,269
25%	1,422,940

DEFINITION OF RESERVE CATEGORY

Taken from the Canadian Oil and Gas Evaluation Handbook, Volume 1 by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy and Petroleum (Petroleum Society), June 30, 2002.

Crude Oil: A mixture, consisting mainly of pentanes and heavier hydrocarbons that exists in the liquid phase in reservoirs and remains liquid at atmospheric pressure and temperature. Crude oil may contain sulphur and other nonhydrocarbon compounds, but does not include liquids obtained from the processing of natural gas. Classes of crude oil are often reported on the basis of density, sometimes with different meanings. Acceptable ranges are as follows:

- Light: less than 870 kg/m^3 (greater than 31.1^o API)
- Medium: 870 to 920 kg/m^3 (31.1^o API to 22.3^o API)
- Heavy: 920 to 1000 kg/m^3 (22.3^o API to 10^o API)
- Extra-heavy: greater than 1000 kg/m^3 (less than 10^o API)

Heavy or extra-heavy crude oils, as defined by the density ranges given, but with viscosities greater than 10 000 mPa.s measured at original temperature in the reservoir and atmospheric pressure, on a gas-free basis, would generally be classified as crude bitumen.

Natural Gas: A mixture of lighter hydrocarbons that exist either in the gaseous phase or in solution in crude oil in reservoirs but are gaseous at atmospheric conditions. Natural gas may contain sulphur or other non-hydrocarbon compounds.

Natural Gas Liquids: Those hydrocarbon components that can be recovered from natural gas as liquids including but not limited to, ethane, propane, butanes, pentanes plus, condensate and small quantities of nonhydrocarbons.

Reserves Categories

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from know accumulations, from a given date forward, based on

- Analysis of drilling, geological, geophysical and engineering data;
- The use of established technology;
- Specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed.

Reserves are classified according to the degree of certainty associated with the estimates.

a. Proved Reserves are those reserves that can be estimated with high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
b. Probable Reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved + probable reserves.
c. Possible Reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved + probable + possible reserves.

Development and Production Status

Each of the reserves categories (proved, additional, and possible) may be divided into developed and undeveloped categories.

a. Developed reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

Developed producing reserves are those reserves that are expected to be recovered from completed intervals open at the time of the estimate. These reserves may be currently producing or shut in, they must have previously been on production, and the date of resumption of production must be known with reasonably certainty.

Developed non-producing reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.

b. Undeveloped Reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities, and completion intervals in the pool and their respective development and production status.

Levels of Certainty for Reported Reserves

The qualitative certainty levels contained in these definitions are applicable to individual Reserves Entities, which refers to the lowest level at which reserves calculations are performed, and to Reported Reserves, which refers to the highest level sum of individual entity estimates for which reserves estimates are presented. Reported Reserves should target the following levels of certainty under a specific set of economic conditions:

- At least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- At least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved + probable reserves;
- At least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved + probable + possible reserves.

A quantitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates will be prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Crude Oil and Natural Gas Price Forecast

The price forecast (effective January 1, 2004 and revised on December 15, 2003) is taken from Gilbert Laustsen Jung Associates Ltd.'s website of www.glja.com as follows:

Year	US Gulf Coast Gas Price @ Henry Hub Constant 2004 $ $US/mmbtu	US Gulf Coast Gas Price @ Henry Hub Then Current $US/mmbtu	West Texas Intermediate @ Cushing, Oklahoma Constant 2004 $ $US/bbl	West Texas Intermediate @ Cushing, Oklahoma Then Current $US/bbl
1993	2.58	2.11	22.55	18.46
1994	2.33	1.94	20.62	17.18
1995	2.04	1.70	22.02	18.39
1996	2.95	2.52	25.78	21.99
1997	2.85	2.47	23.78	20.61
1998	2.45	2.16	16.37	14.42
1999	2.61	2.32	21.71	19.29
2000	4.79	4.33	33.44	30.22
2001	4.36	4.05	27.98	25.97
2002	3.53	3.36	27.39	26.08
2003 (e)	5.58	5.43	31.82	30.96
2004 Q1	6.00	6.00	30.50	30.50
2004 Q2	4.75	4.75	29.50	29.50
2004 Q3(e)	4.75	4.75	28.25	28.25
2004 Q4	4.90	4.90	27.50	27.50
2004FullYear	5.10	5.10	29.00	29.00
2005	4.45	4.50	25.50	26.00
2006	4.20	4.35	24.25	25.00
2007	4.15	4.35	24.00	25.00
2008	4.10	4.35	23.50	25.00
2009	4.05	4.35	23.25	25.00
2010	4.00	4.35	22.75	25.00
2011	3.90	4.35	22.50	25.00
2012	3.85	4.35	22.25	25.00
2013	3.80	4.35	21.75	25.00
2014	3.75	4.35	21.50	25.00
2015+	3.75	+1.5%/yr	21.50	+1.5%/yr

In this evaluation, the escalated prices of natural gas and condensate are used in the cash flow calculations.

PETROLEUM ENGINEER'S CONSENT

To: British Columbia Securities Commission
Alberta Securities Commission

The undersigned firm of Petroleum Engineers of Burnaby, British Columbia, Canada, knows that it is named as having prepared an engineering and economic evaluation of certain interests for First Star Resources Inc. in the Manahuilla Creek Field, Goliad County, Texas, and it hereby grants its consent to the use of its name or the use of evaluation in its entirety in an annual information filing. The effective date of the above-mentioned evaluation is January 1, 2004.

Petrotech Engineering Ltd.

CERTIFICATE OF QUALIFICATION

I, JOHN YU, P. Eng., with an office at 7536 Manzanita Place, Burnaby, British Columbia hereby certify

1. That I am a Consulting Petroleum Engineer employed by Petrotech Engineering Ltd., which company has prepared a report on the interests for First Star Resources Inc. during the month of February 2004.

2. That Petrotech Engineering Ltd.'s officers or its employees have no direct or indirect interests, nor do they expect to receive any direct or indirect interest, in the properties or in any securities of First Star Resources Inc.

3. That I attended the University of Alberta and that I graduated with a Bachelor of Science in Metallurgical Engineering in 1974. That I am a registered Professional Engineer in the Province of British Columbia and a member of the Society of Petroleum Engineers, and that I have in excess of twenty nine years experience in engineering studies, evaluation of oil and gas properties, drilling, completion, production and process engineering of oil and gas operations and evaluation of mineral properties in Canada, U. S. A., Guatemala, Colombia, Australia, New Zealand, China, Kazakhstan, United Arab Emirates, and Indonesia.

4. That a personal field inspection of the Company's property was not conducted due to the availability of data.

John Yu,
Professional Engineer

Reg. No. B. C. - 12068
SPE - 115979-7

I Manahuilla Field, Goliad County, Texas

Introduction

The Company has acquired a 7.5% working interest subject to 25% royalty in approximately 1,265 acres of leases in Goliad County, Texas. The Company is also required to pay 10.0% of the costs of the first produced well. All subsequent development wells are at 15% of the costs. The leases are P. H. Holt A-150 survey, P. I. & M. Co. A-355 survey, part of E. Ferguson A-124 survey, and part of Dean Lang A-369 survey for 568 acres and parts of J. Langham A-190 survey, parts of George Maybee A-211 survey, Sol Parks A-365 survey for 287 acres, and parts of the George Maybee A-211 survey for 410.7 acres (see Figure I-1 – lease plat).

Geology

Goliad County is located in South Texas. The objective of this play is the Yegua sand within the Eocene sands (South Texas Stratigraphic Chart on the next page).

Eocene sands are second only to those in the Oligocene in productivity. One reservoir sand, the Poth, lies within the lower Eocene Midway Shale. The next younger reservoir series is the highly productive Carrizo-Wilcox sandstone section. This stratigraphic unit is a complex of interfingering sands and shales, notable for the rapidity of facies change in very direction. The Carrizo is entirely a nonmarine, continental deposit composed chiefly of medium to coarse-grained quartz sand with local beds and sections of shale or sandy shale occurring within the formation. The sand is typically friable, subangular, relatively clean, well sorted, very porous and permeable and is characteristically cross-bedded and massive.

The lower Wilcox reservoirs are also sand bodies, but these sediments were deposited, either in deltas or parallel to the shore, as beaches, barrier bars, or shelf deposits. The Claiborne and Jackson also are notable for their reservoir sands.

The Eocene trend extends southwestward from the end of the Yegua belt in the Texas Upper Gulf district to Zapata County on the Mexican border. Reservoirs in the Midway (Poth sand), Wilcox (Carrizo), Claiborne (Yegua), and Jackson are productive in this belt. Of these, the Wilcox is the greatest source of hydrocarbons.

Prograding Complexes or Low-stand Deltas

Prograding complexes are formed by deposition of sand and mud at the mouth of river systems during low stands of relative sea level. They occur in water of shallow to moderate depth. In general, they result from point source deltas or fan deltas, although very strike elongate barrier-bar/strand-plain sandstones also occur. Substantial amounts of slumping into deeper water are also common. Most of the larger fields to date in the Expanded Yegua trend produce from sandstones in the prograding complex. The Manahuilla Creek prospect is thought to be one of these.

River makes valleys during lowstands of sea level. These valleys are the sites of complex deposition during the ensuring rise in sea level. One or more levels of fluvial channel sand are frequently estuarine bay head delta, bay muds, and barrier bars and spits are also part of the bay fill sequence. Many substantial fields have been found in these incised channel deposits and despite the ease of seismic identification, more incised channel reservoirs remain to be discovered.

Most of the production in the Expanded Yegua trend has been from shallow marine deltaic and marine bar sandstones. All of the significant production has been found within the expansion fault trend at the Yegua shelf margin. A series of highly productive normally pressured to over-pressured gas reservoirs have been found with the "mid dip" Yegua. These reservoirs occur in fluvial and estuarine sandstones within the incised valleys that funneled the sand down dip. They are located either miles back on the shelf or just updip of the expanded trend. The fields have added some 200 to 300 Bcf to Yegua gas reserves, mostly in the Wharton-Jackson county fairway, but also some in Goliad County. Productive sandstones in the established trends range from 40 to 800 feet in thickness. They are mostly of very high quality, even when they are highly laminated. Permeabilities range from 100 to 1,000 millidarcies with porosities at over 25%. Gas recovery may be higher than 1,100 Mcf per acre-foot. The gas is also condensate rich.

Yegua Trend in Goliad County

The Yegua trend in Goliad County occurs as discreet sandbars paralleling the present Gulf of Mexico coastline. The trend is interrupted by significant down to coast faulting. Several fairly decent fields have been discovered and exploited in the county; these two fields are the Jobar and Perdido Creek fields.

The Jobar field is located in a normal pressured Yegua sequence. There were a total of ten wells drilled and produced from this formation and recovered a total of 5,812 MMcf of gas and 20,377 barrels of condensate. The condensate recovery rate was 3.5 barrels per MMcf of gas. The reservoir contains discreet sand bodies covering from as low as 10 acres and up to 80 acres. The best well produced over 1.8 bcf of gas and 6,319 barrels of condensate since April 1998 and is still producing at a monthly rate of 4 MMcf of gas and 2 barrels of condensate (see Appendix 1).

The Perdido Creek (Yegua) field is down dip and geo-pressured. There were a total of nine wells drilled and produced from this formation and recovered a total of 3,006 MMcf of gas and 60,278 barrels of condensate. The condensate recovery rate was 20.1 barrels per MMcf of gas. Again, the reservoirs are small in size from 10 acres to 80 acres.

The Maetze (Yegua) field is located in between Jobar and Perdido Creek fields. There were a total of three wells that produced a cumulative production of 1,121 Mcf of gas and 11,163 barrels of condensate between May 1987 and May 1998.

Both of Jobar and Perdido Creek fields were discovered using seismic amplitude analysis.

South Texas Stratigraphic Chart

CENOZIC
- Quaternary
  - Recent
  - Pleistocene
- Tertiary
  - Pliocene
  - Miocene
    - Catahoula
  - Miocene-Oligocene
    - Anahuac
  - Oligocene
    - Frio: leading reservoir in district
    - Vicksburg
  - Eocene
    - Jackson
    - Claiborne: includes **Yegua**
    - Wilcox: includes Carrizo
    - Midway: includes Poth

MESOZOIC
- Cretaceous
  - Upper (Gulfian)
    - Navarro: includes Olmos
    - Taylor: includes San Miguel
    - Austin
    - Eagle Ford
    - Woodbine
  - Lower (Comanchean)
    - Washita
    - Fredericksburg
      - Edwards
      - Paluxy
    - Trinity
      - Glen Rose
- Jurassic
  - Cotton Valley, Smackover, Louann Salt, Werner, Eagle Mills

PALEOZOIC
- Carboniferous
- Cambro-Ordovician
  - Ellenberger

PRECAMBRIAN
- Granite, schist, and gneiss

Geophysical Interpretation

The Manahuilla Creek prospect has various leases totaling 1,265 acres. Three lines of seismic went through the property. Line 1D (from west to east) is at the south boundary of the property. Shot point 245 to shot point 270 of Line 1D covers the south boundary of the property. Line 692-2 runs from northwest to southeast through the P. & M. Co. A-355 survey. Line SEI 30 A (from west to east) runs through shot point 230 of Iine 1D and intersects shot point 277 of Line 692-2 (see Figure I-2). Lines SEI 30A and 692-2 indicate that there is a structure in the Yegua. From the seismic lines, the possible Yegua runs from shot point 1520 of Line SEI 30A to the east lease boundary. The seismic amplitude anomaly of the Yegua in this proposed area of Manahuilla Creek is very similar to the seismic amplitude anomaly in the Perdido Creek (Yegua) field that is approximately 6 miles away. The prospect would have approximately 800 acres in this structure.

Evaluation

It is assumed that the geophysical interpretation is correct in identifying the Yegua structure. Using the reservoir data from the Yegua wells in the Jobar and Perdido Creek fields and a net pay of 20 feet, the potential gas reservoir containing over 13 Bcf of gas is estimated within the 600 acres of this prospect. A marketable gas of 8.8 Bcf is also calculated using 70% recovery and 5% surface loss. In order to produce all the marketable gas, one may need to drill up to 9 wells.

For the purpose of this evaluation, one discovery well and six development wells are required. Upon discovery, a seismic program is to be conducted to locate development well sites.

Economic Parameters

The economic parameters of developing the remaining acreage are as follows:

Working interest	7.5% (pay 10.0% to earn 7.5% on the first well)
Royalty and overriding royalty	25%
Gas Price	$6.49/MMbtu at Henry Hub on January 2, 2004
Net Gas Price for Evaluation	$6.49/MMbtu with no heat value adjustment
Prospect and lease fees	$300,000
Dry Hole costs for the first well	$400,000
Completion costs for the first well	$200,000
Future development costs*	$100,000
Seismic costs for the development program	$200,000
Drill and complete development wells	$600,000 per well
Operating Costs for Gas Well	$1,500 per well per month

	$0.50 per Mcf of gas for processing and compression and escalating at 1.5% per year thereafter
Operating Days	350 per year
First well to be drilled	March 2004
Development wells	9 to be drilled after the seismic program

* Estimate of normal additional project costs through to the spud date of March 1, 2004 including State permits, approvals, geological reports and additional seismic data acquisition.

Production Forecasts

Gas Production	starts in May 2004 for the discovery well and the production of the remaining wells in November 2004.
Gas Production Rates and Decline	1,250 Mcf/d for the discovery well in the first 8 months and 1,000 Mcf/d for the development wells in the first year, declining to 725 Mcf/d in the discovery well and 690 Mcf/d in the development wells in the next 12 months and 25% per year thereafter.

Reserves

As there is sufficient seismic data to define the complete Yegua structure on the property, the estimated reserves in the discovery well is classified as “Probable” and “Probable plus Possible” in the discovery well and the nine development wells.

Estimated Natural Gas Reserves at Standard Conditions (60°F and 14.65 psia)

Reserve Category:		**Probable**
Well Location		Manahuilla Field Prospect
Well Depth	(feet)	6,400
Formation Name		Yegua
Drainage area	(acres)	80
Net pay thickness	(feet)	20
Rock Volume	(acre-feet)	1,600
Porosities	(percent)	24
Water saturation	(percent)	40
Oil saturation	(percent)	0
Reservoir pressure	(psia)	2,786
Reservoir temperature	(°R)	605
Compressibility factor		0.85
Initial gas-in-place	(Mcf/acre-feet)	1,205.3
Initial gas-in-place	(MMcf)	1,928.4
Cumulative production	(MMcf)	0
Remaining gas reserve	(MMcf)	1,928.4
Recovery factor	(percent)	70
Recoverable gas reserve	(MMcf)	1,349.9
Surface loss	(percent)	5
Marketable gas reserve	(MMcf)	1,282.4
Permeability	(mD)	
H_2S	(percent)	0
CO_2	(percent)	
Heating Value	(BTU)	1,000
Specific gravity	(Air=1)	.61
Condensate	(bbl/MMcf)	5
Condensate	(°API)	55

Note: This gas reserve estimate and reservoir data are based on the Yegua wells in the Jobar and Perdido Creek fields.

Estimated Natural Gas Reserves at Standard Conditions (60°F and 14.65 psia)

Reserve Category:		**Possible**
Well Location		Manahuilla Field Prospect
Well Depth	(feet)	6,400
Formation Name		Yegua
Drainage area	(acres)	720
Net pay thickness	(feet)	20
Rock Volume	(acre-feet)	14,400
Porosities	(percent)	24
Water saturation	(percent)	40
Oil saturation	(percent)	0
Reservoir pressure	(psia)	2,786
Reservoir temperature	(°R)	605
Compressibility factor		0.85
Initial gas-in-place	(Mcf/acre-feet)	1,205.3
Initial gas-in-place	(MMcf)	17,356.4
Cumulative production	(MMcf)	0
Remaining gas reserve	(MMcf)	17,356.4
Recovery factor	(percent)	70
Recoverable gas reserve	(MMcf)	12,149.4
Surface loss	(percent)	5
Marketable gas reserve	(MMcf)	11,542.0
Permeability	(mD)	
H_2S	(percent)	0
CO_2	(percent)	
Heating Value	(BTU)	1,000
Specific gravity	(Air=1)	.61
Condensate	(bbl/MMcf)	5
Condensate	(°API)	55

Note: This gas reserve estimate and reservoir data are based on the Yegua wells in the Jobar and Perdido Creek fields.

TABLE 3 - PROBABLE RESERVES & ECONOMIC FORECASTS OF THE DISCOVERY WELL (ESCALATED CASE)
YEGUA SAND, MANAHUILLA CREEK PROSPECT, GOLIAD COUNTY, TEXAS

Assumptions: Working Interest = 7.5% (Pay 10.0% on the first produced well only and all development well costs are heads up)
Gas Price = as per Gilbert Lausten Jung Associates forecast price of January 2004
Condensate Price = as per Gilbert Lausten Jung Associates forecast price of January 2004
Total Royalty = 25%, ad Valorem tax = 7.5% for gas and 4.6% for condensate
Prospect Costs = $300,000
Capital Cost for drilling and completion = $700,000 for the first well
Operating Cost = $1,500 per well per month and variable cost at $0.50/Mcf and escalating at 1.5% per year
Production starts in May 2004
Prod. Rate = 1,250 Mcf/d per well in the first 8 months
Decline Rate = 725 Mcf/d in the next 12 months and 25% per year thereafter
Mid-point Discounting & Escalated Costs and Prices
Effective Date - January 1, 2004

	100% W.I.	<---------- Company's Share of W. I. after royalties ---------->													
Year	Gross Gas (Mcf)	Net Gas (Mcf)	Net Condensate (bbl)	Gas Price ($/mmbtu)	Oil Price ($/bbl)	Revenue ($)	ad Valorem Tax ($)	Capital Costs ($)	No. of Wells	Operating Costs ($)	Undisc'd Cash Flow ($)	P.W.Disc. @ 10% ($)	P.W.Disc. @ 15% ($)	P.W.Disc. @ 20% ($)	P.W.Disc. @ 25% ($)
1	300,000	16,875	84	5.10	29.00	88,509	6,567	100,000	1	12,150	-30,208	-28,836	-28,238	-27,692	-27,187
2	253,750	14,273	71	4.50	26.00	66,086	4,903	0	1	11,029	50,155	43,524	40,771	38,308	36,111
3	190,313	10,705	54	4.35	25.00	47,905	3,554	0	1	8,743	35,608	28,091	25,171	22,664	20,510
4	142,734	8,029	40	4.35	25.00	35,929	2,666	0	1	7,009	26,255	18,830	16,139	13,925	12,098
5	107,051	6,022	30	4.35	25.00	26,947	1,999	0	1	5,694	19,254	12,554	10,293	8,510	7,097
6	80,288	4,516	23	4.35	25.00	20,210	1,499	0	1	4,698	14,013	8,305	6,515	5,161	4,132
7	60,216	3,387	17	4.35	25.00	15,158	1,125	0	1	3,945	10,088	5,436	4,077	3,096	2,380
8	45,162	2,540	13	4.35	25.00	11,368	843	0	1	3,378	7,147	3,501	2,512	1,827	1,349
9	33,872	1,905	10	4.35	25.00	8,526	633	0	1	2,952	4,942	2,201	1,510	1,054	746
10	25,404	1,429	7	4.35	25.00	6,395	474	0	1	2,633	3,287	1,331	873	584	397
11	19,053	1,072	5	4.35	25.00	4,796	356	0	1	2,840	1,600	589	370	237	155
12	14,290	804	4	4.42	25.38	3,651	271	0	1	2,221	1,159	388	233	143	90
13	10,269	578	3	4.48	25.76	2,663	198	0	1	1,805	660	201	115	68	41
Total	1,282,400	72,135	361			338,142	25,087	100,000		69,096	143,959	96,114	80,341	67,887	57,919

Present Worth Cash Flow Discounted @	($)
0%	143,959
10%	96,114
15%	80,341
20%	67,887
25%	57,919

TABLE 4 - POSSIBLE RESERVES & ECONOMIC FORECASTS OF THE 9 DEVELOPMENT WELLS (ESCALATED CASE)
YEGUA SAND, MANAHUILLA CREEK PROSPECT, GOLIAD COUNTY, TEXAS

Assumptions: Working Interest = 7.5% (Pay 10.0% on the first produced well only and all development well costs are heads up)
Gas Price = as per Gilbert Lausten Jung Associates forecast price of January 2004
Condensate Price = as per Gilbert Lausten Jung Associates forecast price of January 2004
Total Royalty = 25%, ad Valorem tax = 7.5% for gas and 4.6% for condensate
Seismic Costs = $200,000
Capital Cost for drilling and completion = $600,000 per development well for a total of 9 wells
Operating Cost = $1,500 per well per month and variable cost at $0.50/Mcf and escalating at 1.5% per year
Production starts in January 2005
Prod. Rate = 1,000 Mcf/d per well in the first year
Decline Rate = 690 Mcf/d in the next 12 months and 25% per year thereafter
Mid-point Discounting & Escalated Costs and Prices
Effective Date - January 1, 2004

	100% W.I.	<---------- Company's Share of W. I. after royalties ---------->													
Year	Gross Gas (Mcf)	Net Gas (Mcf)	Net Condensate (bbl)	Gas Price ($/mmbtu)	Oil Price ($/bbl)	Revenue ($)	ad Valorem Tax ($)	Capital Costs ($)	No. of Wells	Operating Costs ($)	Undisc'd Cash Flow ($)	P.W.Disc. @ 10% ($)	P.W.Disc. @ 15% ($)	P.W.Disc. @ 20% ($)	P.W.Disc. @ 25% ($)
1	0	0	0	5.10	29.00	0	0	420,000	0	0	-420,000	-400,932	-392,616	-385,014	-378,000
2	3,150,000	177,188	886	4.50	26.00	820,378	60,860	0	9	132,229	627,289	544,361	509,923	479,123	451,648
3	2,173,500	122,259	611	4.35	25.00	547,111	40,590	0	9	96,487	410,034	323,475	289,853	260,986	236,179
4	1,630,125	91,695	458	4.35	25.00	410,333	30,443	0	9	76,627	303,263	217,501	186,416	160,851	139,744
5	1,222,594	68,771	344	4.35	25.00	307,750	22,832	0	9	61,556	223,362	145,632	119,409	98,726	82,331
6	916,945	51,578	258	4.35	25.00	230,812	17,124	0	9	50,132	163,556	96,940	76,037	60,238	48,233
7	687,709	38,684	193	4.35	25.00	173,109	12,843	0	9	41,484	118,782	64,012	48,012	36,454	28,021
8	515,782	29,013	145	4.35	25.00	129,832	9,632	0	9	34,951	85,249	41,763	29,965	21,798	16,086
9	386,836	21,760	109	4.35	25.00	97,374	7,224	0	9	30,028	60,122	26,772	18,373	12,818	9,078
10	290,127	16,320	82	4.35	25.00	73,030	5,418	0	9	21,701	45,911	18,585	12,199	8,158	5,546
11	217,595	12,240	61	4.35	25.00	54,773	4,064	0	9	23,924	26,785	9,857	6,190	3,964	2,587
12	163,197	9,180	46	4.42	25.38	41,696	3,093	0	9	17,002	21,601	7,228	4,340	2,666	1,670
13	122,397	6,885	34	4.48	25.76	31,741	2,355	0	9	20,315	9,071	2,759	1,585	933	561
14	65,192	3,667	18	4.55	26.14	17,160	1,273	0	9	11,741	4,145	1,146	630	355	205
Total	11,542,000	649,237	3,246			2,935,099	217,751	420,000		618,178	1,679,170	1,099,098	910,315	762,056	643,889

Present Worth Cash Flow Discounted @	($)
0%	1,679,170
10%	1,099,098
15%	910,315
20%	762,056
25%	643,889

TABLE 5 - PROBABLE UNDEVELOPED RESERVES & ECONOMIC FORECASTS OF THE DISCOVERY WELL (CONSTANT CASE)
YEGUA SAND, MANAHUILLA CREEK PROSPECT, GOLIAD COUNTY, TEXAS

Assumptions: Working Interest = 7.5% (Pay 10.0% on the first produced well only and all development well costs are heads up)
Gas Price = $6.49/MMbtu (same as Henry Hub price on January 2, 2004)
Condensate Price = $30.50 per barrel
Total Royalty = 25%, ad Valorem tax = 7.5% for gas and 4.6% for condensate
Prospect Costs = $300,000
Capital Cost for drilling and completion = $700,000 for the first well
Operating Cost = $1,500 per well per month and variable cost at $0.50/Mcf
Production starts in May 2004
Prod. Rate = 1,500 Mcf/d per well in the first 6 months
Decline Rate = 750 Mcf/d in the next 12 months and 25% per year thereafter
Mid-point Discounting & Constant Costs and Prices
Effective Date - January 1, 2004

	100% W.I.	<---------- Company's Share of W. I. after royalties ---------->											
Year	Gross Gas (Mcf)	Net Gas (Mcf)	Net Condensate (bbl)	Revenue ($)	ad Valorem Tax ($)	Capital Costs ($)	No. of Wells	Operating Costs ($)	Undisc'd Cash Flow ($)	P.W.Disc. @ 10% ($)	P.W.Disc. @ 15% ($)	P.W.Disc. @ 20% ($)	P.W.Disc. @ 25% ($)
1	300,000	16,875	84	112,092	5,802	100,000	1	12,150	-5,859	-5,593	-5,477	-5,371	-5,273
2	253,750	14,273	71	94,811	4,907	0	1	10,866	79,039	68,590	64,250	60,370	56,908
3	190,313	10,705	54	71,108	3,680	0	1	8,487	58,941	46,499	41,666	37,516	33,950
4	142,734	8,029	40	53,331	2,760	0	1	6,703	43,869	31,463	26,966	23,268	20,215
5	107,051	6,022	30	39,999	2,070	0	1	5,364	32,564	21,232	17,409	14,393	12,003
6	80,288	4,516	23	29,999	1,553	0	1	4,361	24,085	14,275	11,197	8,871	7,103
7	60,216	3,387	17	22,499	1,164	0	1	3,608	17,727	9,553	7,165	5,440	4,182
8	45,162	2,540	13	16,874	873	0	1	3,044	12,957	6,348	4,555	3,313	2,445
9	33,872	1,905	10	12,656	655	0	1	2,620	9,381	4,177	2,867	2,000	1,416
10	25,404	1,429	7	9,492	491	0	1	2,303	6,698	2,711	1,780	1,190	809
11	19,053	1,072	5	7,119	368	0	1	2,064	4,686	1,724	1,083	694	453
12	14,290	804	4	5,339	276	0	1	1,886	3,177	1,063	638	392	246
13	10,269	578	3	3,837	199	0	1	1,510	2,128	647	372	219	132
Total	1,282,400	72,135	361	479,157	24,800	100,000		64,965	289,392	202,689	174,470	152,294	134,587

Present Worth Cash Flow Discounted @	($)
0%	289,392
10%	202,689
15%	174,470
20%	152,294
25%	134,587

TABLE 6 - POSSIBLE RESERVES & ECONOMIC FORECASTS OF THE 9 DEVELOPMENT WELLS (CONSTANT CASE)
YEGUA SAND, MANAHUILLA CREEK PROSPECT, GOLIAD COUNTY, TEXAS

Assumptions: Working Interest = 7.5% (Pay 10.0% on the first produced well only and all development well costs are heads up)
Gas Price = $6.49/MMbtu (same as Henry Hub price on January 2, 2004)
Condensate Price = $30.50 per barrel
Total Royalty = 25%, ad Valorem tax = 7.5% for gas and 4.6% for condensate
Seismic Costs = $200,000
Capital Cost for drilling and completion = $600,000 per development well for a total of 9 wells
Operating Cost = $1,500 per well per month and variable cost at $0.50/Mcf
Production starts in January 2004
Prod. Rate = 1,000 Mcf/d per well in the first year
Decline Rate = 690 Mcf/d in the next 12 months and 25% per year thereafter
Mid-point Discounting & Constant Costs and Prices
Effective Date - January 1, 2004

	100% W.I.	Company's Share of W. I. after royalties											
Year	Gross Gas (Mcf)	Net Gas (Mcf)	Net Condensate (bbl)	Revenue ($)	ad Valorem Tax ($)	Capital Costs ($)	No. of Wells	Operating Costs ($)	Undisc'd Cash Flow ($)	P.W.Disc. @ 10% ($)	P.W.Disc. @ 15% ($)	P.W.Disc. @ 20% ($)	P.W.Disc. @ 25% ($)
1	0	0	0	0	0	420,000	0	0	-420,000	-400,932	-392,616	-385,014	-378,000
2	3,150,000	177,188	886	1,176,968	60,916	0	9	130,275	985,777	855,457	801,338	752,936	709,759
3	2,173,500	122,259	611	812,108	42,032	0	9	93,656	676,419	533,627	478,161	430,541	389,618
4	1,630,125	91,695	458	609,081	31,524	0	9	73,280	504,277	361,668	309,979	267,469	232,371
5	1,222,594	68,771	344	456,811	23,643	0	9	57,997	375,170	244,611	200,566	165,825	138,288
6	916,945	51,578	258	342,608	17,732	0	9	46,535	278,340	164,972	129,400	102,513	82,083
7	687,709	38,684	193	256,956	13,299	0	9	37,939	205,718	110,861	83,151	63,135	48,529
8	515,782	29,013	145	192,717	9,974	0	9	31,492	151,251	74,098	53,165	38,675	28,541
9	386,836	21,760	109	144,538	7,481	0	9	26,656	110,401	49,161	33,738	23,537	16,670
10	290,127	16,320	82	108,403	5,611	0	9	23,030	79,763	32,288	21,193	14,174	9,635
11	217,595	12,240	61	81,302	4,208	0	9	20,310	56,785	20,897	13,123	8,404	5,485
12	163,197	9,180	46	60,977	3,156	0	9	18,270	39,551	13,234	7,946	4,881	3,057
13	122,397	6,885	34	45,733	2,367	0	9	16,740	26,626	8,097	4,652	2,737	1,645
14	65,192	3,667	18	24,358	1,261	0	9	9,532	13,565	3,749	2,061	1,162	671
Total	11,542,000	649,237	3,246	4,312,560	223,205	420,000		585,712	3,083,643	2,071,789	1,745,856	1,490,975	1,288,353

Present Worth Cash Flow Discounted @	($)
0%	3,083,643
10%	2,071,789
15%	1,745,856
20%	1,490,975
25%	1,288,353

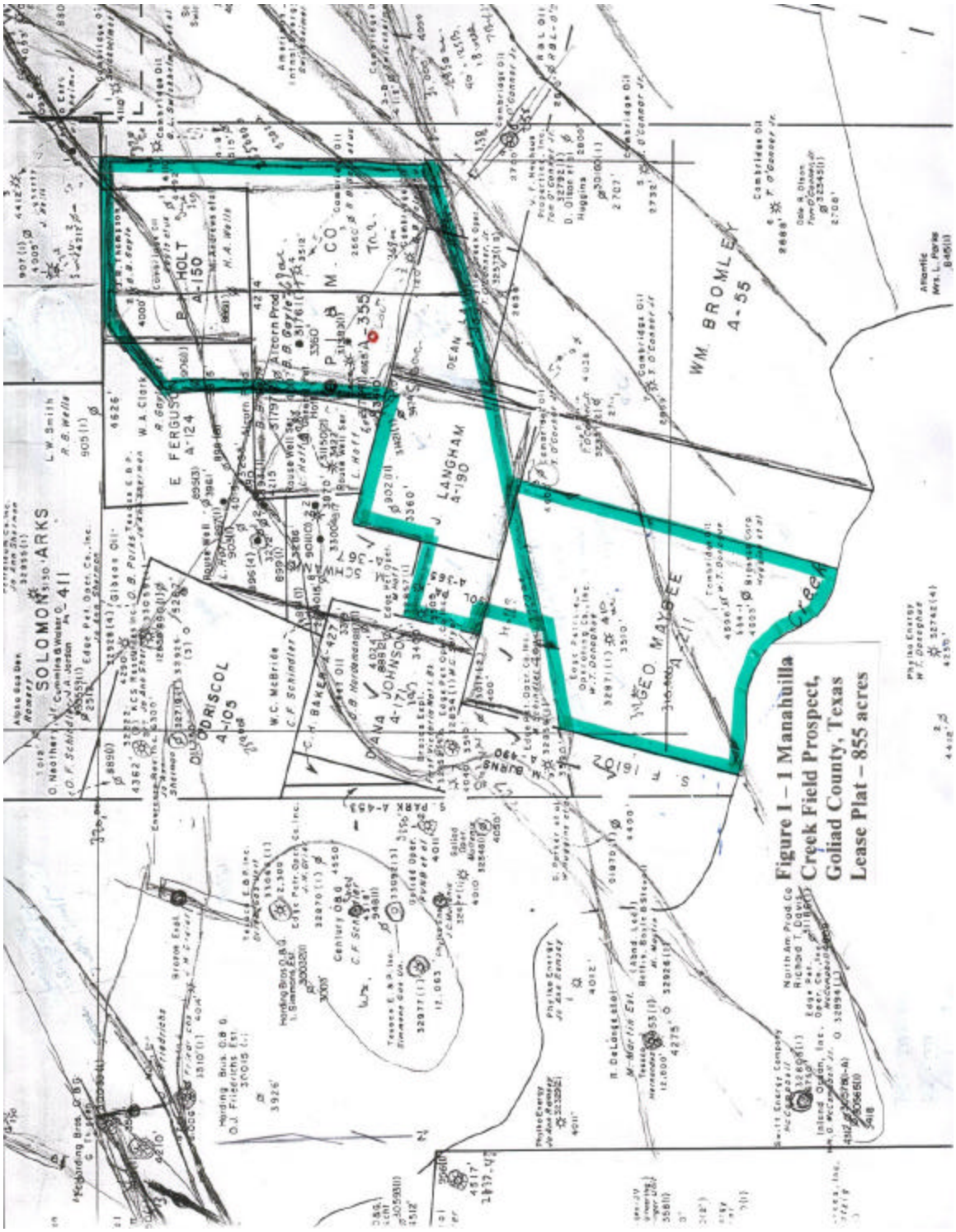
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Figure 1 – 1 Manahuilla
Creek Field Prospect,
Goliad County, Texas
Lease Plat – 855 acres

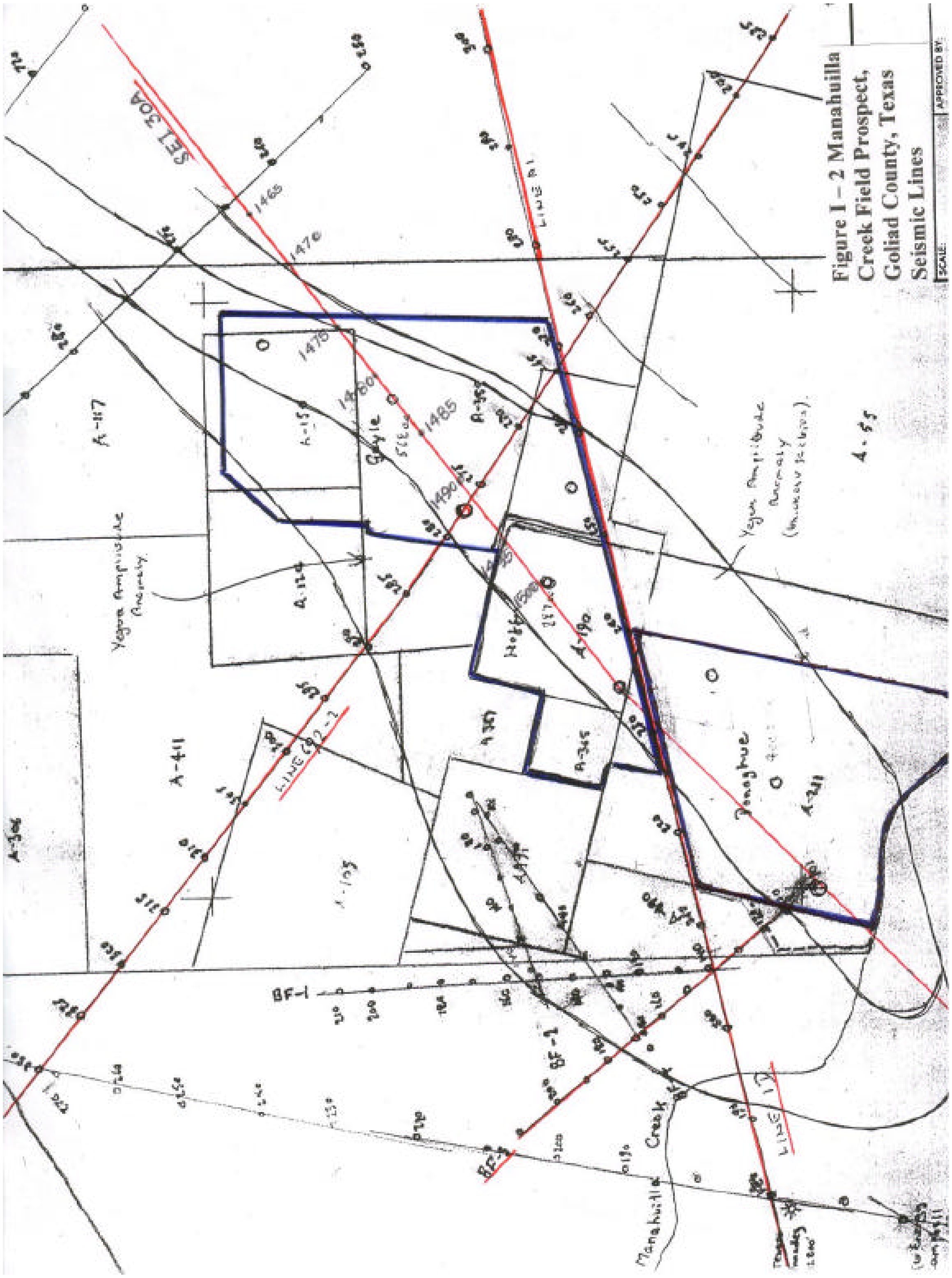

Figure I – 2 Manahuilla Creek Field Prospect, Goliad County, Texas Seismic Lines

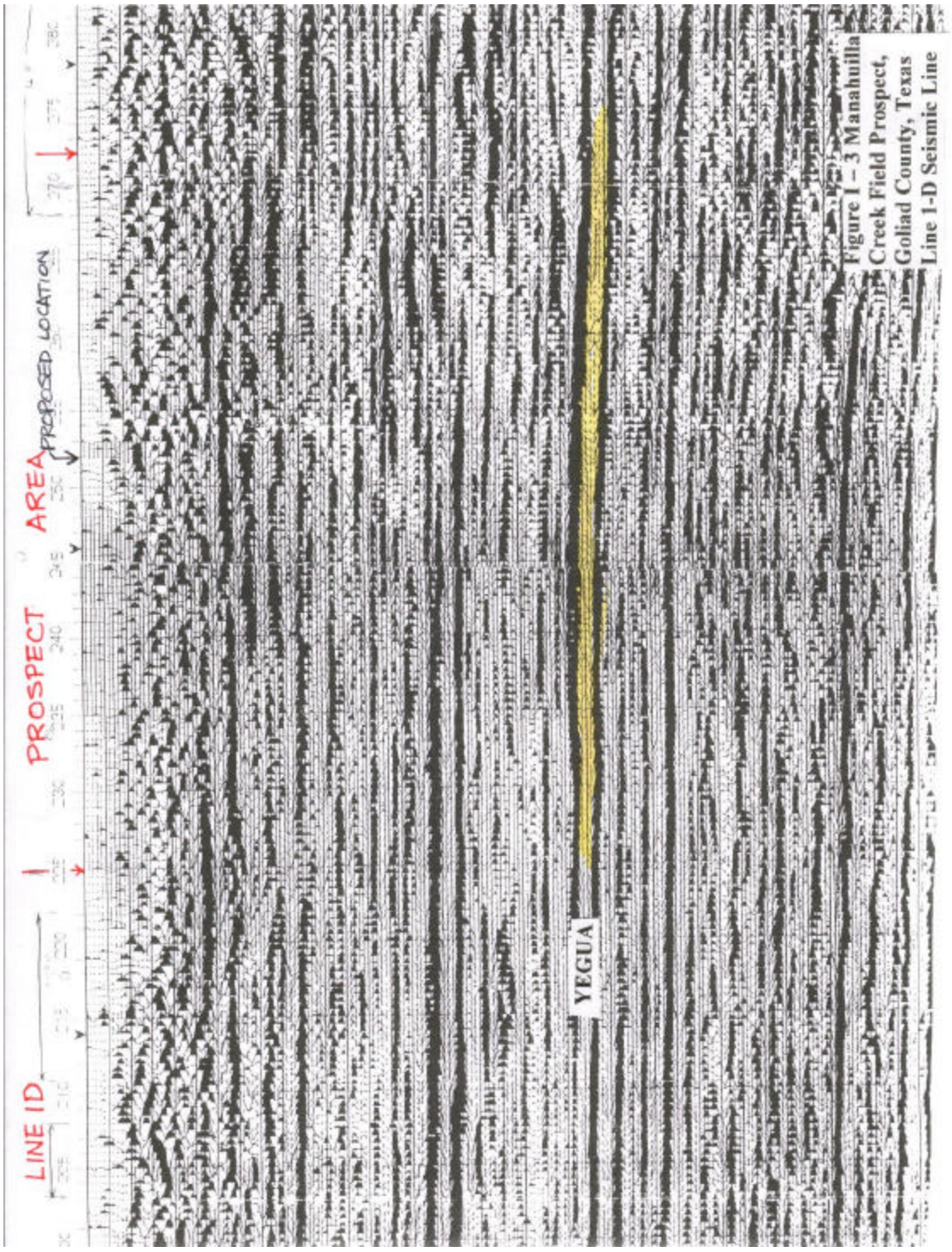

Figure 1 – 3 Manahuilla Creek Field Prospect, Goliad County, Texas Line 1-D Seismic Line

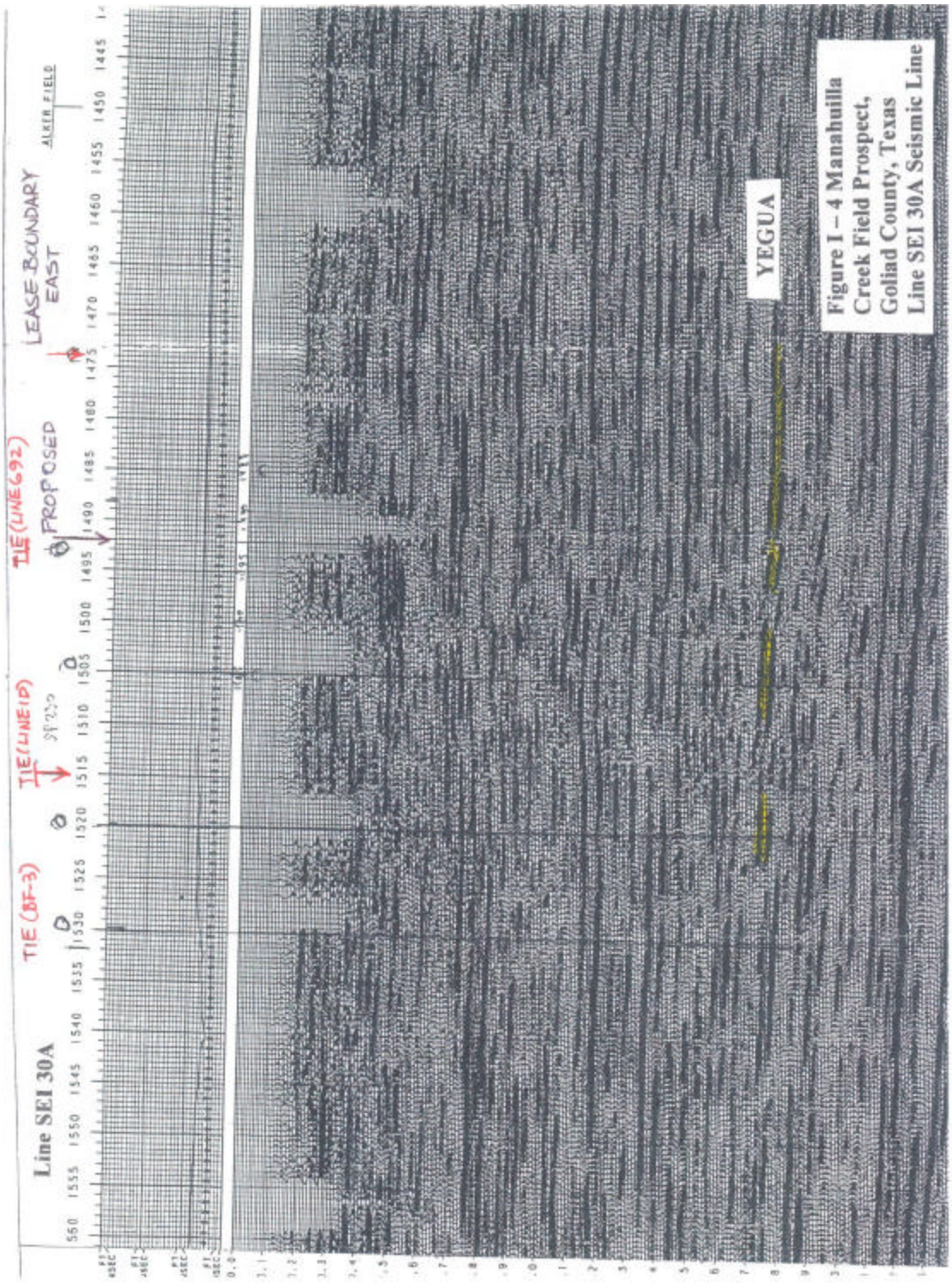

Figure I – 4 Manahuilla Creek Field Prospect, Goliad County, Texas Line SEI 30A Seismic Line

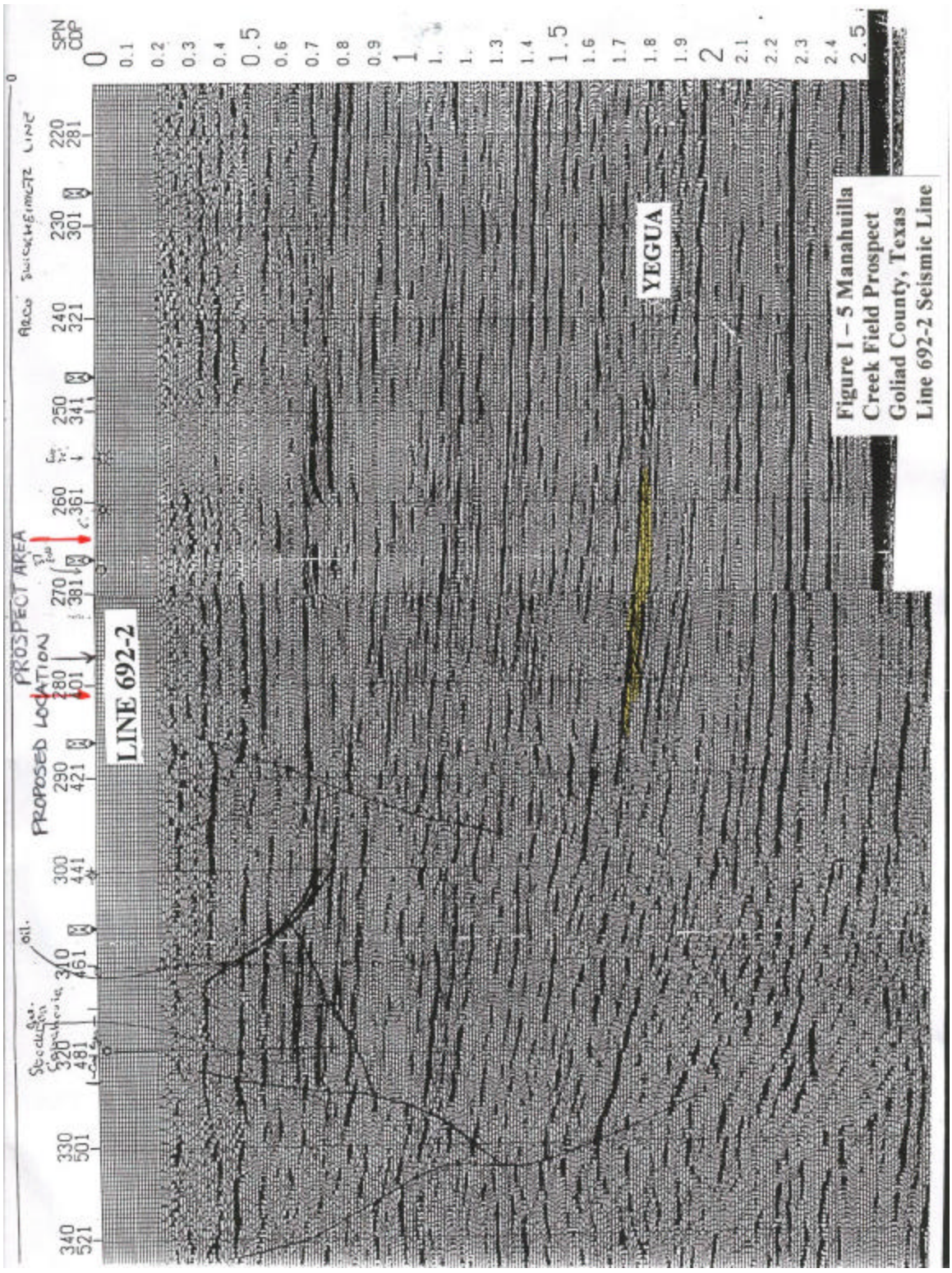

Figure 1 – 5 Manahuilla Creek Field Prospect Goliad County, Texas Line 692-2 Seismic Line

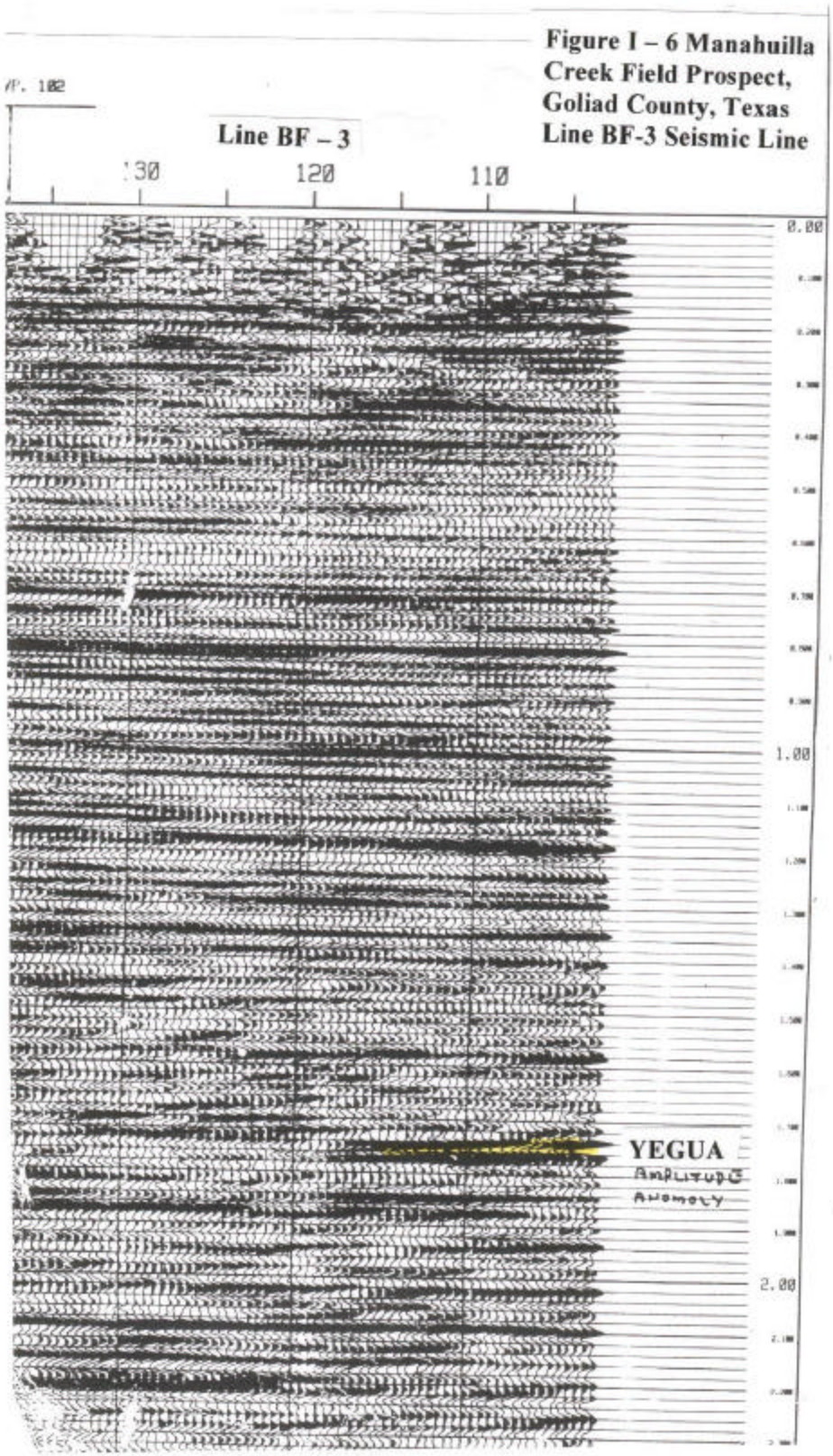

Figure I – 6 Manahuilla Creek Field Prospect, Goliad County, Texas Line BF-3 Seismic Line

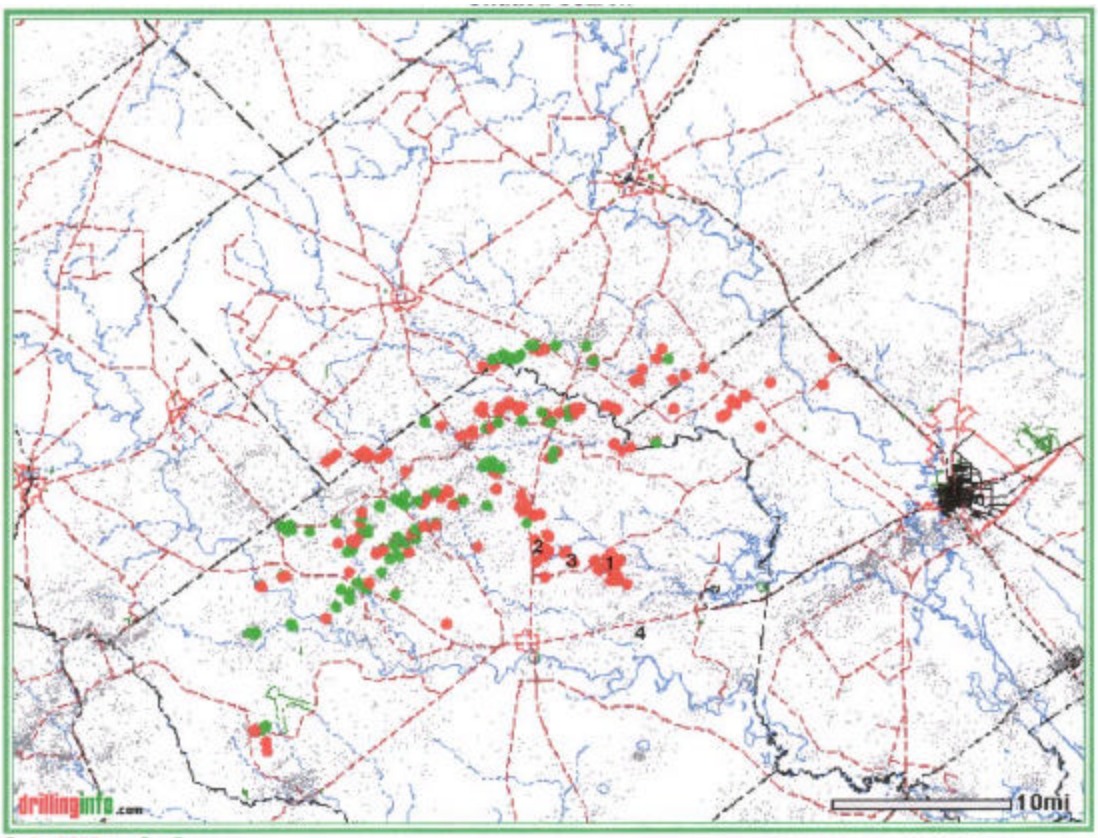

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Figure I – 7 Manahuilla Creek Field Prospect, Goliad County, Texas Surrounding Yegua Fields

Yegua Gas Production

1. **Perdido Creek Field**
2. **Jobar Field**
3. **Maetze Field**
4. **Manahuilla Creek (proposed Yegua drilling)**

Appendix 1 - Surrounding Yegua Gas and Condensate Production

API No. of the Well	From	To	Cum Cond., bbl	Cum Gas, Mcf	Perforations Intervals, ft
Jobar (Yegua) Field					
42-175-32683	Apr 1993	Dec 1995	1,775	332,907	5,512 – 5,514 = 2 feet
33015	Jan 1998	Nov 2003	5,316	1,125,259	5,467 – 5,487 = 20 feet
33022	Jan 1998	Jan 2000	1,004	293,873	5,422 – 5,461 = 39 feet
33025	Jan 1998	Nov 2003	1,129	730,111	5,456 – 5,499 = 43 feet
33035	Jan 1998	Jan 2002	1,360	614,411	5,371 – 5,393 = 22 feet
33048	Jan 1998	Nov 2000	1,173	333,513	5,390 – 5,422 = 32 feet
33052	Jan 1998	Oct 2003	865	311,052	5,385 – 5,422 = 37 feet
33070	Apr 1998	Nov 2003	6,325	1,846,311	5,432 – 5,489 = 57 feet
33113	Aug 1998	Feb 2003	1,430	212,190	5,617 - 5,626 = 9 feet
33469	Nov 2002	Apr 2003		12,498	5,000 – 5,004 = 4 feet
Total			20,377	5,812,125	
Average Perforations					26.5 feet/well
Perdido Creek (Yegua) Field					
42-175-32105	Dec 1985	Dec 1990	28,758	1,646,096	
32118	Jan 1986	Dec 1987	11,351	108,835	
	May 1987	Dec 1990	7,892	185,483	
	Jan 1991	Dec 1994	2,411	1,139	
32189	Jun 1987	Jan 1988	1,867	101,688	
32495	Nov 1990	Nov 1990		1,069	
32583	Mar 2001	Jun 2001		1,805	5,663 – 5,666 = 3 feet
33261	Sep 2000	Jun 2003	882	176,892	5,662 – 5,665 = 3 feet
33291	Nov 2000	Jun 2003	346	163,017	5,699 – 5,703 = 4 feet

33317	Mar 2001	Nov 2003	2,962	280,612	5,651 – 5,655 = 4 feet
33318	Apr 2001	Nov 2003	2,127	173,670	5,632 – 5,666 = 34 feet
33479	Feb 2003	Nov 2003	1,682	165,312	5,632 – 5,638 = 6 feet
Total			60,278	3,005,618	

API No. of the Well	From	To	Cum Cond., bbl	Cum Gas, Mcf	Perforations Intervals, ft
Maetze (Yegua) Field					
42-175-32178	May 1987	Dec 1988	6,390	526,599	
32655	Nov 1992	Jul 1997	4,773	589,797	
33068	Apr 1998	May 1998		4,356	5,490 – 5,502 = 12 feet
Total			11,163	1,120,752	

The average perforations per well in both Perdido Creek and Maetze fields were incomplete.