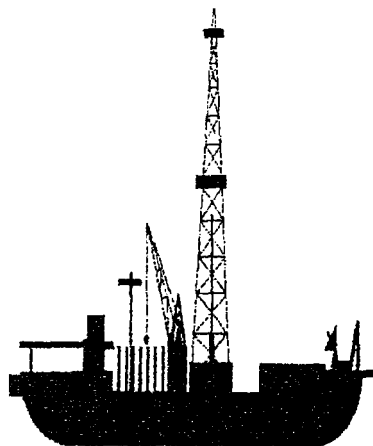
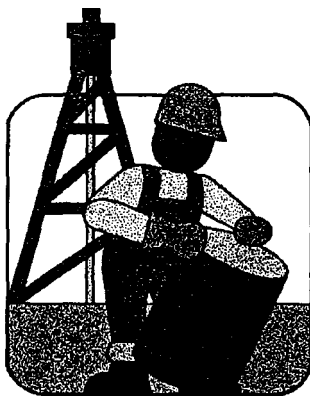


risk assessment & control

RAC

ENRON NORTH AMERICA PORTFOLIO WATCH LIST UPDATE AS OF 7/21/2000



Distribution:

Buy, Rick
Delainey, Dave
Donahue, Jeff
Frevert, Mark
Haedicke, Mark (via cc:Mail)
Lydecker, Richard (via cc:Mail)
Skilling, Jeff
Sutton, Joe (via cc:Mail)

PLEASE NOTIFY RICK CARSON AT X3-3905
WITH QUESTIONS OR COMMENTS

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RISK ASSESSMENT & CONTROL
PORTFOLIO WATCH LIST-UPDATE AS OF 7/21/2000
VALUES INDICATED ARE FOR ENRON NORTH AMERICA

Cost & Carry Values as of 6-30-2000. Market Values from Merchant Portfolio Report Dated 7-17-2000.

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RESTRUCTURED ASSET ACTIVITY

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| Enserco Offshore | Forcenergy |
| Gasco Distribution | Ice Drilling |
| Hogan Exploration | Inland Resources |
| Hughes Rawls LLC | Repap Resources |
| Industrial Holdings | TriPoint, Inc. |
| Kafus Industries / Canfibre | Qualitech Steel |
| Lyc0 Energy * | |

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| | |
|------------------------------------|--|
| Nakomthai Strip Mill * | |
| Queen Sand Resources * | |
| Basic Energy (Sierra Well Service) | |
| Transcoastal Marine * | |

WATCH

Assets displaying early warning signs of potential weakness that deserve close attention.

Bonne Terre Exploration (Limited Liability Company) JEDI II & Balance Sheet

- ENA Commercial is currently preparing a supplemental Deal Approval Sheet to be presented to management for continued development in Cameron Parish, Louisiana. If approved, ENA will pursue (1) dissolution of the Bonne Terre LLC and maintain independent ownership in the project area; (2) acquire a separate license to the 3D data set from Seitel; (3) drill identified prospects in Cameron Parish with partners Nexus Resources, Inc. and Sam Gary Jr. & Associates. The DASH also contemplates a sale of the Black Bayou dome field to one of three candidates and projects a planned sell down to prospective partners of ENA's interest in the identified prospect areas within the project boundaries. The original program inventory has been drilled up or abandoned. Production from 2 wells at the Saturday Island field location continues, with monthly net cash flow of around \$350K to the LLC.

~~Cost: \$22,500 MM Market Value: \$17,054 MM Carry Value: \$17,054 MM~~

City Forest Corporation (Senior / Sub Loans, with IPC's) Balance Sheet and ENA CLO Trust #1

- Operational issues with the "Yankee" dryer have been somewhat resolved. The crown on the dryer was reground, enabling the machine to run at higher production speed with less wrinkling of the tissue. Fine-tuning of the process will continue, as the operational efficiency target for the machine is in the high 80% range, vs. current actual efficiency in the low 80% range. Lower than expected cash flow from the previous technical difficulties will be experienced through the end of Q-3 and possibly into Q-4-2000. The Company may choose to pursue compensatory damage claims from the OEM provider due to the failure of performance tests. This will not likely be done until the current operational issues are resolved. The asset will be left on "Watch" until the technical difficulties are fully addressed / remedied and cash flow is normalized.

~~Cost: \$0.00 MM Market Value: \$2,466 MM Carry Value: \$2,448 MM~~

(Transfer to ENA CLO #1) \$29,000 MM

Cypress Exploration (Working Interest) Balance Sheet

- The previous "NewCo" concept involving Allen & Company, the New York based I-bank that was to provide investors and Resource Acquisition Corp, has now been dropped in favor of moving forward with the Bill Rogers group out of Lafayette, Louisiana. The Thornwell property in Jefferson Davis Parish, Louisiana, is likely to be monetized in the near future through an agreement with Manti & The Meridian Resource Corp. The value (based on current price curves), is in the \$26.8 MM range. New prospects are also being identified with an emphasis to move to a drillable stage fairly quickly, thereby mitigating delay rentals on the leases that are estimated to be in the \$2 -\$3 MM range for year 2000.

~~Cost: \$85,810 MM Market Value: \$57,181 MM Carry Value: \$56,933 MM~~

DPR Holding Company, LLC (Senior Debt & Private Equity) JEDI II & Balance Sheet

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- *While first quarter results were less than forecast, the month of May had favorable comparisons with production of 358,000 tons, EBITDA of \$2.0 MM and net income of \$0.8 MM. YTD through Jun-24th, DPR's tonnage amounted to 2.0 MM, exceeding budget by 3%. The Dakota mine experienced roof control problems, which hampered performance in April. The Remington mine continues good performance, exceeding budgeted tonnage by 5% through Jun-24th. As of Jun-24th, the Panther mine slope and shaft project to the Eagle seam was nearly completed. The driving of the slope was finished and the shaft drilling was within 30 feet of completion. Production is scheduled to begin at Panther in July, 2000.*

~~Cost: \$23,594 MM Market Value: \$23,833 MM Carry Value: \$27,322 MM~~
 (Transfer to ENA CLO #1) \$23,504 MM

WATCH - (Continued)

Ecogas Corporation (Private Equity & Revolving Debt) Balance Sheet

- *Two banks, Meeis Pierson and ABB have sent commitment letters on the \$60 MM long-term financing facility. Enron has delayed signature until hearing from the Internal Revenue Service regarding the Section 40 tax credits. Enron counsel has been in discussions with the IRS and believes that a finding on the private letter ruling will occur within 30 days. The ENA commercial group does not want to exceed the cap on the revolver, pending the private letter ruling and accordingly have been strictly monitoring all costs including legal billings. Some staff reductions were made at Ecogas the week of June 26th. A positive Section 40 ruling adds conservatively \$30 MM to Ecogas' equity value. Ecogas recently closed a \$5.2 MM Section 29 tax credit monetization with Fidelity Investments on the McCommas Bluff facility in Dallas, with \$2.5 MM of the proceeds sent to Enron to pay down the revolver. Randy Maffett (ENA Commercial), has negotiated a settlement with Frito Lay regarding gas penalties (the difference between what gas was purchased for and \$2.15) on volumes that were not delivered – the settlement has been presented to ENA senior management for approval.*

~~Cost: \$38,335 MM Market Value: \$49,017 MM Carry Value: \$48,936 MM~~

Heartland Steel (Senior Debt, Common Stock & Warrants) Balance Sheet

- *A new action plan has been agreed to following a recent on-site visit to the plant location, with a meeting with the senior lenders and the investor group scheduled for the week of July 24th. At that time a project update will be furnished, current production and future estimates will be discussed and an overview of a revised financial model will be laid out. A total re-capitalization effort may be required as recent ENA Commercial modeling reveals that the Company is likely to run out of cash in late Q-4. ENA has entered into a forbearance agreement with the senior lenders PNC & Deutsche Bank that will be good until Sept-30th. ENA will also be meeting with Bankers Trust, who were the original investment advisors to the Company and who continue to hold an equity ownership position. An ongoing search and interview process is underway for a permanent CFO position, with placement expected by late July. An Enron hired consultant is working with Heartland on issues involving the integration of production and management reporting systems. To maximize efficiency, scheduling and production system software will likely need to be purchased, with cost estimates in the \$2 MM range.*

~~Cost: \$13,137 MM Market Value: \$34,603 MM Carry Value: \$34,547 MM~~

(Transfer to Condor) \$ 14,754 MM
 (Transfer to ENA CLO #1) \$ 15,000 MM

Juniper Exploration (Limited Partnership) JEDI II & Balance Sheet

- *ENA has approved AFEs for prospects on Eugene Island 60, Eugene Island 80 and West Cameron 310. Juniper intends to retain 50% and find a partner to take the other half in the 3 prospect package. Samedan has shown considerable interest in pursuing the package and formal discussions*

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will begin this week. Clay Harmon, a principal at Juniper gave ENA a technical prospect presentation on July-18th, on Eugene Island 148, Eugene Island 163, Vermilion 67 and Eugene Island 57. Drilling success for the Partnership remains a concern with 15 wells having been drilled to date and only 6 currently having production.

~~Cost: \$17,886 MM Market Value: \$19,610 MM Carry Value: \$19,610 MM~~

WATCH - (Continued)

Lewis Energy Group ("LEG") (Limited Partnership & Term Loans) JEDI I (Gross #'s)

- LEG has paid a non-refundable fee of \$100K, allowing them to extend the closing to July 31st, on their buy-out of JEDI's 35% ownership interest in the Limited Partnership. The total buyout from LEG will be approximately \$15.6 MM.

~~Cost: \$14,945 MM Market Value: \$13,703 MM Carry Value: \$13,645 MM~~

(Transfer to ENA CLO #1) \$ 2,392 MM

Linder Energy LLC: (66.7% Membership Interest) JEDI II & Balance Sheet

- An ENA internal review of the original 1998 third-party engineering findings by Collarini Engineering, Inc. (New Orleans), has resulted in a downward adjustment to reserve values. The PV12 value of the reserves exceeds the amount currently outstanding, but 50% + of the reserve value is now behind pipe and will require cap-ex dollars to be brought on line. The principals of Linder, as 25% working interest owners, have been capital constrained lacking the financial liquidity to convert the behind pipe reserves to the producing category. Distributions, analyzed on a semi-annual basis by ENA, are currently at 99% to JEDI II / ENA. The ownership percentage is adjusted as necessary to ensure a 12% rate of return (floor distribution is 66.7%). Distributions received from the LLC have improved over the past couple of months (driven by strong commodity prices), with \$748K received for May and \$740K received in June. The average monthly distribution during 1999 was \$400K.

~~Cost: \$14,159 MM Market Value: \$17,513 MM Carry Value: \$17,387 MM~~

LSI Electric Specialty Corp (Sr. Term Loan, Preferred Stock and Warrants) JEDI II & Balance Sheet

- No large rig orders have been placed lately, although the Company has a potential \$2 MM deal that is being negotiated with a customer in Singapore. Some delays could occur on short lead-time, over the counter orders, due to working capital constraints and general liquidity issues. The Jun-30th loan payment (principal and interest) was made on time. The '99 year-end financial statements have been finalized and did not contain a qualified audit opinion from the Company's auditors, Deloitte & Touche. The clean audit opinion was facilitated by Enron waiving financial covenant violations through Jun-30th. LSI has gained "preferred provider" status with Enron Engineering & Construction Company and with Enron subsidiary, NEPCO. First business, involving NEPCO and the ENA merchant investment, Active Power (a project in Austin, TX) could occur during Q-4-2000.

~~Cost: \$3,315 MM Market Value: \$3,901 MM Carry Value: \$3,276 MM~~

(Transfer to ENA CLO Trust #1) \$5,450 MM

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VALUES INDICATED ARE FOR ENRON NORTH AMERICA

Mariner Energy (Private Equity & Debt) JEDI I & Balance Sheet (Gross #'s)

- Meetings were held with Morgan Stanley Dean Witter on June 19th and CS First Boston on June 20th to get status reports on the public equity capital markets. Based on the discussions, Mariner will wait to refresh the S-1 filing until either the IPO window opens or, the SEC asks for the document to be updated, which would be after Jul-31-2000.

~~Cost: \$235,207 MM Market Value: \$386,282 MM Carry Value: \$396,937 MM~~
 (Transfer to Iguana) \$ 71.308 MM

Oconto Falls (Sub-Debt / Equity & IPC's) Balance Sheet

- The Enron CLO debt position and the ENA Income Participation Certificates will likely to be taken out by new equity investors. ENA will re-invest into the Re-Box Paper facility (a greenfield linerboard project) via a 90-day bridge loan and sub-debt. The majority of the project debt will move from the bridge facility to the Bank of Nova Scotia pending the finalization of the Bank's due diligence. Enron will hold \$35 MM in senior subordinated debt and will also enter into physical supply and financial hedges with Re-Box. ENE Global Finance will syndicate the sub-debt into a CLO structure, pending an ENE construction guaranty.

~~Cost: \$5,000 MM Market Value: \$10,721 MM Carry Value: \$10,721 MM~~
 (Transfer to ENA CLO Trust #1) \$ 5,000 MM

WATCH - (Continued)

Sacramento Basin Exploration Venture (50% W.I. and a 40% N.R.I.) JEDI II & Balance Sheet

- (Formerly known as the Amerada Hess Exploration Venture) A deal approval sheet for restructuring is being circulated to senior management. Currently ENA / JEDI II has a \$3 MM remaining commitment (expiring Dec-31-2000) to drill prospects within areas of mutual interest in the Sacramento Basin. To date \$2 MM of the original \$5 MM commitment has been spent drilling, resulting in one producing well. ENA's cost basis is \$1.25 MM, with net distributions received through Apr-2000 of \$524K. Fair value write-down is \$726K, for a current carry value (net) to ENA of \$0. The new proposal reduces the gross commitment from \$3 MM to \$2 MM (\$1.25 MM net to ENA). The existing slate of properties would be scrapped and replaced by new prospects. The new prospects have been reviewed by the ENA technical staff and the two California prospects are designated to be of higher quality than the previous. Calpine would have to invest additional funds in each prospect as well. The termination date of this commitment will be extended to Dec-31-2001.

~~Cost: \$ 850 MM Market Value: \$0,000 MM Carry Value: \$ 0,000 MM~~

Venoco, Inc. (Private Equity - Cumulative Convertible Preferred Stock) JEDI II & Balance Sheet

- **MOVED FROM "PERFORMING"** The Company has requested extended payment terms on its fully drawn bank debt and is looking to rationalize assets to increase liquidity. For a \$100K fee, \$6.6 MM of bank debt due 7/1/00 has been re-negotiated down to \$2.5 MM and the remaining \$4.1 MM of the payment has been extended to 10/1/00 (next quarterly payment), which will result in \$11 MM due at that time. During Q-3, Venoco will attempt to sell three properties (Big Mineral Creek, Texas and Gasaway and Cedar Bench, Colorado - data rooms currently open) and their office building in Santa Barbara, CA, which collectively is anticipated to bring in approximately \$32 MM. The proceeds from the sale will be used to reduce bank debt, take out Wells Fargo Bank debt in total and restructure the remaining debt between 2 or 3 banks. The debt to capitalization ratio as of 5/31/00 was 62% (\$80 MM debt; \$49.6 MM equity). Venoco's properties are concentrated in geographical areas of California that are environmentally sensitive, limiting future exploratory opportunities. The political climate is also not currently conducive to opening up exploratory possibilities. As a result, a near term liquidity event such as an IPO, that would allow Enron to monetize its investment, is considered unlikely.

~~Cost: \$43,820 MM Market Value: \$45,893 MM Carry Value: \$45,893 MM~~

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 VALUES INDICATED ARE FOR ENRON-NORTH AMERICA**

WB Oil Company (Private Equity) Balance Sheet

- No updates since our last report.

~~Cost: \$2,509 MM Market Value: \$1,360 MM Carry Value: \$1,360 MM~~

TROUBLED – Assets for which the returns are considerably less than originally projected.

Beau Canada (Common Stock & Warrants) JEDI & JEDI II (Gross #'s)

- *Announced Jul-17th that it has entered into an agreement to sell its entire interest in the Peggo gas property (current production of 20 MMCF / day) for proceeds of C\$66.5 MM. Effective date of the sale is July 1, with expected close by mid August, pending completion of documentation and approvals, with proceeds to be applied to reducing a working capital deficit and to retire existing debt. Bank debt, term debt and working capital will be reduced to a combined total of approximately C\$200 MM. The Special Board of Directors Committee has decided to reopen the Company data room and will begin contacting potential parties within the next couple of weeks. Beau's Annual Meeting will be held on Wed-Jul-26th in Calgary. Beau common traded down on the news, hitting a 52-week low of C\$1.53 intra-day on Tues-Jul-18th. The Enron exit strategy in Dec-2000, remains to be clearly defined, but the likely take-out is an Enron (ENA CLO Trust #1) or other third-party refinance.*

~~Cost: \$8,475 MM Market Value: \$7,086 MM Carry Value: \$7,079 MM~~

(Transfer to ENA CLO #1) \$26.685 MM

Brigham Exploration Co. (Sub-debt, Common Stock & Warrants) JEDI II & Balance Sheet

- *In order to pay PIK dividend interest for the Q-4-2000 period, the Company must do one of the following no later than Aug-31-2000: 1) sell common or preferred equity, resulting in net proceeds after costs and expenses of \$10 MM; 2) acquire in exchange for common or preferred equity, oil and gas properties containing PDP & PDNP reserves with a collective NPV 10% of at least \$10 MM; or 3) through a combination of # 1 and # 2, receive net proceeds and newly acquired properties that total at least NPV \$10 MM. If at least one of these requirements is not satisfied, cash interest will be mandated for the Q-4-2000 period. Due to being hedged at \$2.15 / MCF, the Company will generate little internal cash flow this year. While drilling success YTD is good, the Company continues to be highly leveraged and will need a cap-ex budget of approximately \$30 MM in 2001. CIBC has been retained by Brigham to assist with a re-capitalization plan.*

~~Cost: \$3,917 MM Market Value: \$28,612 MM Carry Value: \$27,005 MM~~

C-Gas (Private Equity) JEDI 1 (Gross #'s)

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- *ENA Commercial strategy is focusing on proving up the exploration concept of the Company, where valuation would be driven by "going concern." Results through the first five months of the year are ahead of plan, with actual EBITDA for that period coming in at \$3.215 MM vs. plan of \$2.540 MM, a 27% increase and actual cash flow coming in at \$2.406 MM, vs. plan of \$1.669 MM, a 44% increase. A 30-well program is in place for the year with 6 successfully drilled wells to date (through Jun-15th) out of 8 attempted. Given the reasonably strong operational results YTD, no immediate sale of the Company is planned. Previous offers received were viewed as not indicative of true enterprise value.*
Cost: \$32,770 MM Market Value: \$29,273 MM Carry Value: \$29,287 MM

Crown Energy (Private Equity) Balance Sheet

- *On May-26-2000, Crown received notice that MCNIC had elected to exercise its option to assume operations as Operator of Crown Asphalt Ridge L.L.C.'s ("CAR") facility in Vernal, Utah, effective Jun-26-2000, from the wholly owned Crown subsidiary, Crown Asphalt Corporation ("CAC"). MCNIC has the right to replace CAC as Operator by the CAR Operating Agreement and a Jan-20-2000 letter agreement. MCNIC will become Operator under a new Operating and Management Agreement similar to that currently in effect. On Jun-20-2000, MCNIC also filed a Complaint in the Third Judicial District Court, Salt Lake County, Utah, against Crown Distribution. The action seeks to foreclose on alleged mortgage and security interests in certain real and personal property of Crown Distribution. MCNIC also alleges that the total amount owed by Crown Distribution to MCNIC is in excess of \$15 MM, as well as interest at the rate of 18% from Jan-1-2000 until paid in full. Crown common stock continues under pressure and is down over 37% YTD.*
Cost: \$5,168 MM Market Value: \$3,020 MM Carry Value: \$3,020 MM

TROUBLED - continued

EnSerCo Offshore (formerly NorAm) (Senior Term Loan) EnSerCo

- *A term sheet has been signed with a newly formed entity to purchase the rig. The new entity is being formed from the combination of a private geo-seismic company, the coil tubing division of Baker Hughes and a small-cap publicly traded E&P company. The transaction as presently structured would take us out at a premium to par on our current carry value. Potential recovery from collateral value associated with Noram Rig 252 (which is currently docked in south Malaysia), may also be possible, in return for dropping legal pursuit from the guarantors.*
Cost: \$5,425 MM Market Value: \$5,458 MM Carry Value: \$5,425 MM

Hughes Rawls LLC (LLC Membership and Senior Loan) JEDI I & Balance Sheet (Gross #'s)

- *An offer tendered by Wiser Oil Company, for \$3.3 MM for all of the Bay Marchand properties has been withdrawn. Federal farm-out issues and requirements in federal off-shore waters, presented issues that Wiser could not become comfortable with. Dudley Hughes, the remaining principal of the LLC, will continue to market the properties.*
Cost: \$10,128 MM Market Value: \$2,000 MM Carry Value: \$2,023 MM

Ice Drilling (Term Loan with Warrants) EnSerCo

- *RESTRUCTURING COMPLETED - No major updates since our last report. A reconciliation of the amounts owed indicates C\$1,057,836 (US\$719,616) outstanding on the original US\$10 MM (gross) loan after the sale of assets placed in receivership. A negotiated settlement on the deficiency with the guarantors was unsuccessful and legal action is now underway.*
Cost: \$ Market Value: \$ Carry Value: \$

Industrial Holdings "IHII" (Term Loan) EnSerCo

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- *Negotiations have broken down on the restructuring of the note that is in default. The latest proposal counter-offered by the Company asked ENA to accrue and capitalize existing overdue interest, to lower the proposed coupon rate on the note from 18% to 11% and to accept a reduced number of less favorably priced warrants. The ENA Restructuring Group is meeting with internal Legal counsel to examine recourse against the counter-party.*

Cost: \$7.5 MM Market Value: \$7.122 MM Carry Value: \$7.122 MM

Inland Resources (Cumulative Convertible Preferred) JEDI II

- *RESTRUCTURING COMPLETED. Two important conditions remain to be fully negotiated regarding the closing of the Flying J / Inland merger. The Chase Bank \$150 MM credit facility is being finalized and a specific plan outlining the upgrade to the Black Wax refinery must be agreed to. The refinery is to be re-conditioned over an approximate 18-month period at a cost of roughly \$20 MM. Enron will maintain par on our \$10 MM preferred stock, with our absolute common stock position (2.93 MM shares) maintained, but at a reduced ownership percentage. ENA commercial has negotiated the right to match any new hedging bid(s), the post merger Company would enter into. Current Inland senior management will be stepping down when the merger closes.*

Cost: \$6.920 MM Market Value: \$5.906 MM Carry Value: \$6.070 MM

TROUBLED - continued

Kafus Industries, Ltd., Canfibre of Riverside, Inc., (Debt & IPC's) Balance Sheet

- *The strategic focus has shifted to completing current projects, reducing overhead and simplifying the capital structure of the Company. A branch corporate office in Boston and a marketing affiliate office in Newport Beach, CA will be shut down. Kenneth Swaisland, founder of the Company and its CEO and largest stockholder has resigned. Agreement has been reached in principal whereby Swaisland will sell all of his stock to another major investment group, Berkeley Investments. Michael McCabe, President & COO, is now responsible for the day-to-day operations of the Company. A new CEO search is underway, with a new management team likely to be established once that individual is in place. Randy Maffett, ENA Commercial, is now a member of the Kafus Board of Directors. The common shares continue under pressure, recently closing in the \$3 1/8 range and are down 58.04% YTD.*

Cost: \$ 0.00 MM Market Value: \$ 8.111 MM Carry Value: \$ 8.111 MM (Riverside)

Cost: \$67.648 MM Market Value: \$ 70.078 MM Carry Value: \$74.544 MM (Other Kafus)

(Transfer to ENA CLO Trust #1) \$ 60.000 MM

Queen Sand Resources, Inc. (Equity - Preferred & Common) JEDI (Gross #'s)

- *RESTRUCTURING PARTIALLY COMPLETED. The Company is finalizing discussion with the investment banking firm of Friedman, Billings, Ramsey regarding a re-capitalization. An Enron DASH is being circulated that describes a proposal involving a reverse split on the common, reducing shares outstanding to around 2 1/2 MM, to be followed by a secondary common offering that would raise an approximate \$80 MM. From the proceeds of the secondary offering, \$20 MM will be*

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allocated for acquisition and joint venture activity. The net effect of the common transactions will reduce our preferred and common stock ownership position, but will potentially increase our value, via the increased equity capitalization of the Company. QSRI's \$125 MM, 12 1/2% senior noteholders (3 institutional 144A holders) would convert \$75 MM at approximately \$0.60 cents on the dollar and would take equity for their remaining \$50 MM.

Cost: \$1,057 MM Market Value: \$2,352 MM Carry Value: \$1,223 MM

Basic Energy (Sierra Well Service) (Senior Secured Notes with Warrants and Preferred Stock) JEDI II

- The Sierra IPO was pulled by Prudential due to the additional offering of 1.5 MM shares (30+% increase) not being well received. Enron has stepped back into an active asset management role, via our 45% equity (61% voting) ownership interest and the 4 Sierra board seats we hold. ENA commercial and Enron RAC members recently met with Sierra management in Midland for strategic discussions, with consideration being given to assisting the Company with leasing a new "truck" fleet of around 20 vehicles. This would require minimal capital outlay, with each truck projected to generate EBITDA of around \$15K per month, giving the Company increased visibility in the land drilling sector and sustaining financial viability as Enron looks to partner the Company with a suitable merger candidate. The 20 trucks would collectively generate annual EBITDA of roughly \$3.6 MM and applying a 5x EBITDA multiple would conceivably increase enterprise value by \$18 MM. An immediate, near term liquidation of total assets, given the failed nature of the IPO and the significant leverage of the Company, would be projected to net roughly \$25 MM. If the Company can "buy" itself 90-120 days of additional time by ramping up its truck fleet, liquidation value at that time could potentially increase into the \$40 - \$45 MM range.

Cost: \$1,814 MM Market Value: \$4,191 MM Carry Value: \$1,773 MM

(Transfer to ENA CLO Trust #1)

\$51.735 MM

TROUBLED - continued

Transcoastal Marine Services ("TCMS") (Subordinated Debt with Warrants) JEDI II

- RESTRUCTURING PARTIALLY COMPLETED. TCMS has filed a voluntary petition for Chapter 7 liquidation, requesting debtor in possession status. TCMS's wholly owned subsidiary, Dickson GMP International previously filed a voluntary petition for Chapter 11 Reorganization. The fee for the Bankruptcy Trustee is currently being negotiated. The law firm of Andrews and Kurth LLP is advising the CLO Trust in the bankruptcy proceeding.

Cost: \$0.001 MM Market Value: \$0.000 MM Carry Value: \$0.000 MM

(Transfer to ENA CLO Trust #1)

\$ 20.00 MM

LOSS

No future cash flows projected and FMV of the asset has been written off. Residual recovery possible.

Belco Oil & Gas (Warrants) JEDI 1 (Gross #'s)

- The Belco warrants are out of the money to the extent that it is not likely that any value will be realized unless another transaction is consummated with Belco that would involve re-pricing the warrants, which strike at \$27.50 (Jul-14th closing price of \$8 15/16). The warrants expire Nov-25-2000.

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Cost: \$7,525 MM Carry Value: \$0,000

Lyco Energy (Private-Convertible Preferred & Common) JEDI I and Balance Sheet (Gross #'s)

- **RESTRUCTURING PARTIALLY COMPLETED.** *Arrangements for the pay-off our preferred and common stock investment for \$2.5 MM (approximately \$0.50 cents on the dollar) have been pushed back until July 31st.*

Cost: \$5.0 MM Carry Value: \$ 0

Nakornthai Strip Mill (NSM) -Thailand (Subordinated Notes w/Warrants) Balance Sheet

- **RESTRUCTURING PARTIALLY COMPLETED.** *The Bankruptcy Council of Thailand has agreed to a re-capitalization of the Company, but status quo will be maintained until creditors officially vote. The ENA commercial group and internal counsel continue to work towards obtaining releases (two remain – Farallon Capital Mgmt. & Legg Mason) on the lawsuits that were filed against the original underwriting group that included ECT Securities.*

Cost: \$1,308 MM Carry Value: \$ 0

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