

**MINERALS MANAGEMENT SERVICE
PACIFIC OCS REGION**

FIELD RESERVE ESTIMATE SUMMARY

AS OF DECEMBER 2007

Definitions Used in this Summary

Proved Developed and Producing Reserves (PDP) - Once the first reservoir in a field begins production, the reservoir is considered to contain *proved developed producing reserves*. “Reserves subcategorized as producing are expected to be recovered from completion intervals which are open and producing at the time of the estimate. Improved recovery reserves are considered producing only after the improved recovery project is in operation” (SPE and WPC, 1997). If a reservoir had sustained production during the last year, it is considered to contain proved developed producing reserves.

Unproved Possible Reserves (UPOS) - After a lease qualifies under 30 CFR 250.115, the MMS Field Naming Committee reviews the new producible lease to assign it to an existing field or, if the lease is not associated with an established geologic structure, to a new field. Regardless of where the lease is assigned, the reserves associated with the lease are initially considered to be *unproved reserves*. “Unproved reserves are based on geologic and/or engineering data similar to that used in estimates of proved reserves; but technical, contractual, economic, or regulatory uncertainties preclude such reserves being classified as proved. Unproved reserves may be further classified as probable reserves and possible reserves.” (SPE and WPC, 1997)

Unproved reserves may be estimated assuming future economic conditions different from those prevailing at the time of the estimate. The effect of possible future improvements in economic conditions and technological developments can be expressed by allocating appropriate quantities of reserves to the probable and possible classifications.

“*Possible reserves* are those unproved reserves which analysis of geological and engineering data suggests are less likely to be recoverable than probable reserves...” “In general, possible reserves may include (1) reserves which, based on geological interpretations, could possibly exist beyond areas classified as probable, (2) reserves in formations that appear to be petroleum bearing based on log and core analysis but may not be productive at commercial rates, (3) incremental reserves attributed to infill drilling that are subject to technical uncertainty, (4) reserves attributed to improved recovery methods when (a) a project or pilot is planned but not in operation and (b) rock, fluid, and reservoir characteristics are such that a reasonable doubt exists that the project will be commercial, and (5) reserves in an area of the formation that appears to be separated from the proved area by faulting and geological interpretation indicates the subject area is structurally lower than the proved area.” (SPE and WPC, 1997) After a lease qualifies under 30 CFR 250.115, the reserves associated with the lease are initially classified as *unproved possible*.

Known Resources (KR) - Hydrocarbons associated with reservoirs penetrated by one or more wells that are on leases that are expired or relinquished are identified as *known resources*.

2007 POCS Reserves and Cumulative Production Summary

	Oil (bbl)	Gas (Mcf)
Cumulative Production	1,189,604,166	1,578,380,480
Remaining Proved Reserves	454,503,075	869,752,239
Remaining Unproved Reserves	1,077,559,000	447,558,000
Total Reserves	2,721,666,241	2,576,920,896
Known Resources on Expired Leases	149,255,000	362,505,000

CATEGORY	FIELD	Recoverable Reserves		Cumulative Production		Annual Production		Remaining Reserves	
		Oil, bbl	Gas, Mcf	Oil, bbl	Gas, Mcf	Oil, bbl	Gas, Mcf	Oil, bbl	Gas, Mcf
PDP	BETA	107,700,000	34,800,000	88,155,627	28,910,898	764,357	234,364	19,544,373	5,889,102
	CARPINTERIA	74,100,000	62,500,000	68,929,098	57,186,501	526,201	485,513	5,170,902	5,313,499
	DOS								
	CUADRAS	272,900,000	164,100,000	260,095,987	147,711,735	1,383,217	1,976,480	12,804,013	16,388,265
	HONDO	358,000,000	814,020,000	275,497,991	593,361,387	5,639,945	17,802,985	82,502,009	392,138,613
	HUENEME	11,800,000	7,774,000	11,121,612	6,617,579	137,971	158,608	678,388	1,156,421
	PESCADO	175,591,000	222,321,000	122,666,177	174,502,226	4,415,496	9,276,890	52,924,823	150,985,672
	PITAS POINT	210,500	239,215,000	208,365	227,615,345	375	2,136,947	2,135	11,599,655
	ARGUELLO	213,900,000	133,840,000	174,843,969	135,245,692	2,681,491	5,671,072	39,056,031	42,717,233
	POINT								
	PEDERNALES	106,000,000	45,000,000	80,789,716	27,367,758	2,766,853	2,387,851	25,210,284	17,632,242
	ROCKY POINT	88,531,000	42,270,000	1,981,174	1,348,872	316,477	352,604	86,549,826	40,921,128
	SACATE	123,729,000	131,097,000	25,087,374	21,393,876	3,854,787	3,243,338	98,641,626	109,703,124
	SANTA CLARA	53,413,741	85,227,896	42,277,512	66,737,461	564,347	506,180	11,136,229	18,490,435
SOCKEYE	58,232,000	147,198,000	37,949,564	90,381,150	1,545,471	1,289,846	20,282,436	56,816,850	
TOTAL PDP	1,644,107,241	2,129,362,896	1,189,604,166	1,578,380,480	24,596,988	45,522,678	454,503,075	869,752,239	

CATEGORY	FIELD	Recoverable Reserves		Cumulative Production		Annual Production		Remaining Reserves	
		Oil, bbl	Gas, Mcf	Oil, bbl	Gas, Mcf	Oil, bbl	Gas, Mcf	Oil, bbl	Gas, Mcf
UPOS	"A"	98,000,000	9,800,000	0	0	0	0	98,000,000	9,800,000
	"B"	696,000,000	283,100,000	0	0	0	0	696,000,000	283,100,000
	BETA NW	4,800,000	912,000	0	0	0	0	4,800,000	912,000
	BONITO	49,700,000	56,900,000	0	0	0	0	49,700,000	56,900,000
	ELECTRA	10,900,000	13,300,000	0	0	0	0	10,900,000	13,300,000
	GATO								
	CANYON	46,946,000	46,946,000	0	0	0	0	46,946,000	46,946,000
	JALAMA	10,513,000	7,200,000	0	0	0	0	10,513,000	7,200,000
	SANTA MARIA	25,400,000	1,200,000	0	0	0	0	25,400,000	1,200,000
	SWORD	29,500,000	7,300,000	0	0	0	0	29,500,000	7,300,000
	UNNAMED 435	91,800,000	6,900,000	0	0	0	0	91,800,000	6,900,000
UNNAMED 443	14,000,000	14,000,000	0	0	0	0	14,000,000	14,000,000	
TOTAL UPOS	1,077,559,000	447,558,000	0	0	0	0	1,077,559,000	447,558,000	
TOTAL RESERVES	2,721,666,241	2,576,920,896	1,189,604,166	1,578,380,480	24,596,988	45,522,678	1,532,062,075	1,317,310,239	

CATEGORY	FIELD	Known Resources	
		Oil, bbl	Gas, Mcf
KR	ANACAPA	1,105,000	884,000
	CASTLE		
	ROCK	16,039,000	18,500,000
	GOVERNMENT		
	POINT	23,000,000	182,700,000
	SMUGGLER'S		
	COVE	47,600,000	79,000,000
	SANTA ROSA	920,000	19,000,000
	UNNAMED 176	2,533,000	2,533,000
	UNNAMED 318	70,000	70,000
	UNNAMED 335	18,900,000	18,900,000
	UNNAMED 358	5,091,000	5,091,000
	UNNAMED 395	12,393,000	12,393,000
	UNNAMED 479	11,454,000	11,454,000
UNNAMED 512	1,750,000	1,900,000	
WILSON			
ROCK	8,400,000	10,080,000	
TOTAL KR		149,255,000	362,505,000

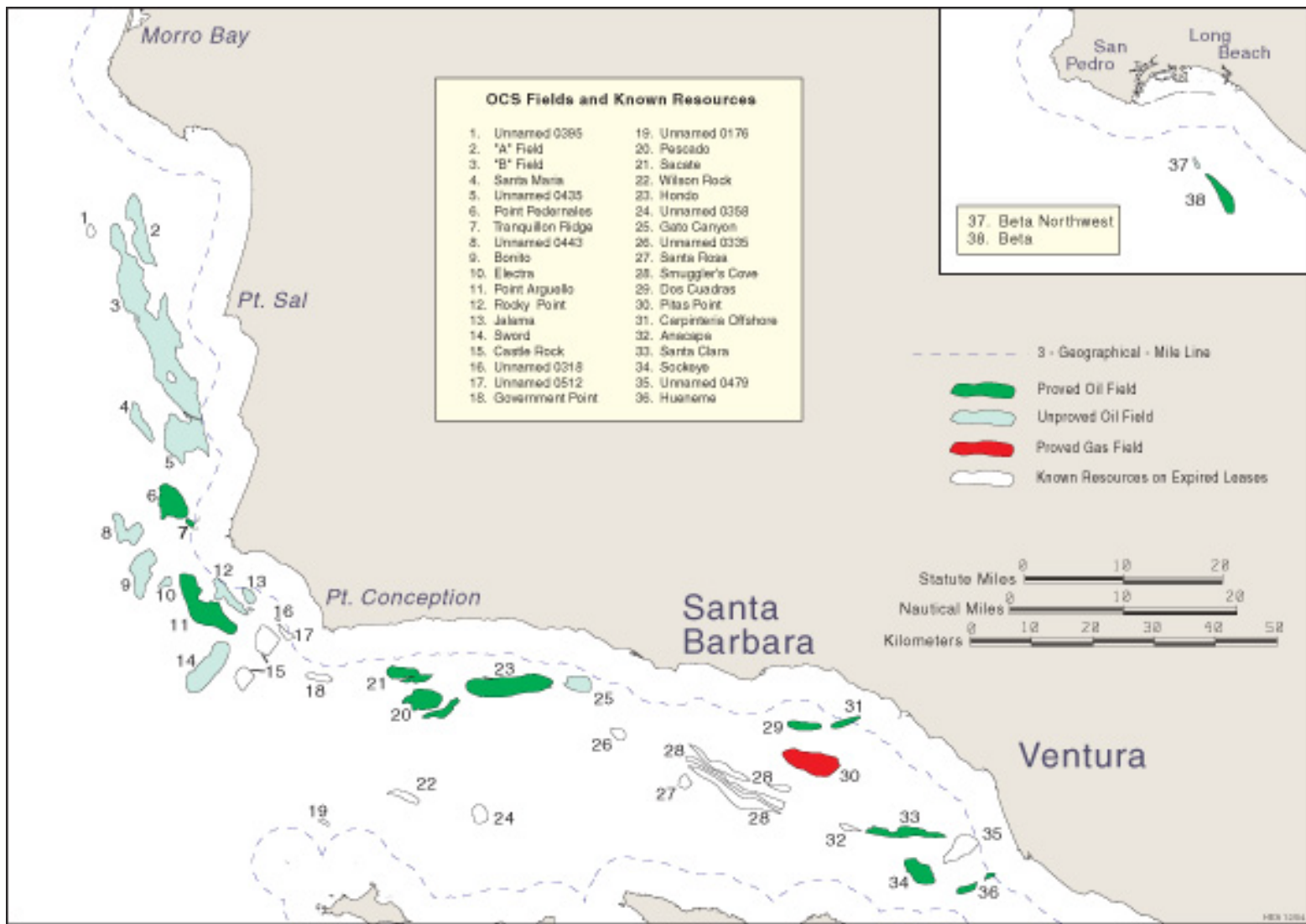


Figure 2: Oil and Gas Fields of the Pacific OCS Region