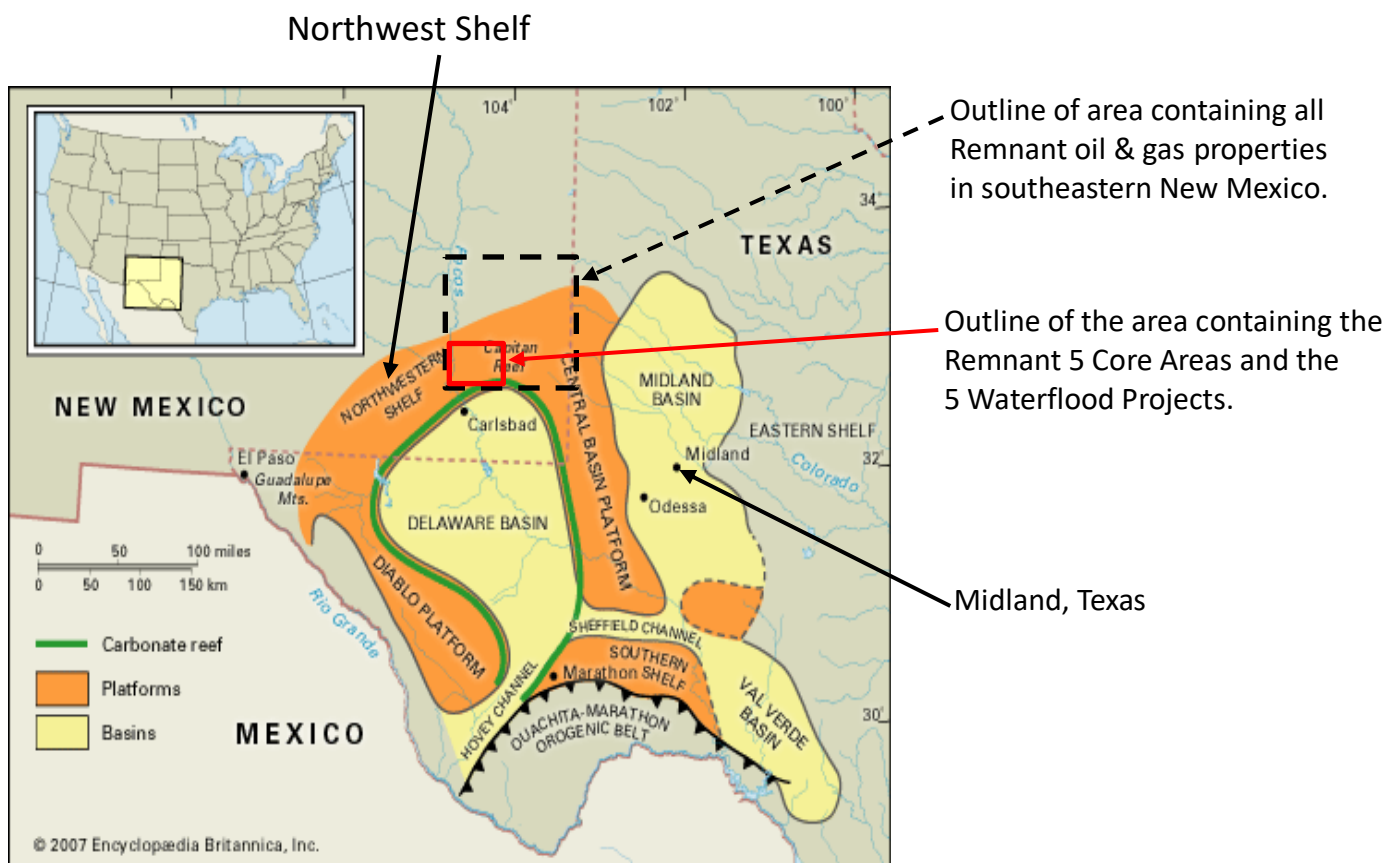


Geographic Focus

Remnant Oil Operating is geographically focused on the Permian Basin of West Texas and New Mexico, the most prolific oil and gas producing region in the United States. Since 1920, the Permian Basin has produced over 30 Billion Barrels of Oil (30 BBO) and 75 Trillion Cubic Feet of Natural Gas (75 TCF). Remnant's existing footprint exists primarily within the Upper San Andres Vacuum Trend and Artesia Platform Sandstone. Cumulative production from these two plays are in excess of 3,000,000,000 bbls of oil.



Geologic Focus

Remnant currently targets the shallow Permian-age (Guadalupian) reservoirs (Yates, Seven Rivers, Queen, Grayburg, and San Andres) producing along the Northwest Shelf in southeastern New Mexico for secondary and tertiary expansion and development. The depths of these reservoirs range between approximately 1,800' to 4,000'.

These Permian-age (Guadalupian) reservoirs account for approximately 54% of the historical Permian Basin cumulative oil production of over 30 Billion Barrels of Oil. Remnant's core assets are in these producing zones on the Northwest Shelf.

Stratigraphy of the Northwest Shelf of the Permian Basin

PERIOD	EPOCH	FORMATION	GENERAL LITHOLOGY	APPROXIMATE THICKNESS (ft)	
Permian	Ochoan	Dewey Lake	Redbeds/Anhydrite	200-400	
		Rustler	Halite	100	
		Salado	Halite/Anhydrite	1000	
	Guadalupian	Tansil	Anhydrite/Dolomite	200	
		Yates	Anhydrite/Dolomite Anhydrite	200	
		Seven Rivers	Dolomite/Anhydrite	500	
		Queen	Sandy Dolomite/ Anhydrite/Sandstone	200-500	
		Grayburg	Dolomite/Anhydrite/ Shale/Sandstone	300	
		San Andres	Dolomite/Anhydrite	1500	
	Leonardian	Glorieta	Sandy Dolomite	100	
		Yeso	Paddock	Dolomite/Anhydrite/ Sandstone	1500
			Blinebry		
			Tubb		
Drinkard					
Abo	Dolomite/Anhydrite/ Shale	1000			
Wolfcampian	Wolfcamp	Limestone/Dolomite	0-1500		
Pennsylvanian	Virgilian	Cisco	Limestone/Sandstone	0-1250	
	Missourian	Canyon	Limestone/Shale		
	Des Moinesian	Strawn	Limestone/Sandstone	0-750	
	Atokan	Bend	Limestone/Sandstone /Shale	0-1250	
	Morrowan	Morrow			
Mississippian	----		Limestone/Shale	0-800	
Devonian	----		Dolomite/Chert	0-1200	
Silurian		Fusselman			
Ordovician	Upper	Montoya	Dolomite/Chert	0-400	
	Middle	Simpson	Limestone/Sandstone /Shale	0-200	
	Lower	Ellenburger	Dolomite	0-400	
Cambrian		----	Sandstone	----	

Shallow Permian-age reservoirs targeted by Remnant Oil.

Stratigraphy of the Northwest Shelf of the Permian Basin. General lithology and approximate stratigraphic thickness for each formation are indicated. Modified from Pranter (1999) by Cabrera-Garzon, Raul, 2001, Ph.D., Thesis (2001) Redrawn by Nassir Alnaji, 2001

Source: Pranter (1999).