

Bureau of Land Management

Amarillo Field Office Helium Operations



Statistical Report for July - 2012



Distribution:

Fluid Minerals Group Manager, Washington Office
NMSO, New Mexico State Director
NMSO, Associate State Director
NMSO, Petroleum Engineer
Field Manager, Amarillo Field Office
Assistant Field Managers (3)
Team Leaders
-Federal Leased Lands
-Resources Evaluation & Gas Analysis
-Division Of Helium Operations, -
Engineering and Technical Support

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Amarillo, Texas

Compiled by: Nelson R. Bullard

Issued: October 22, 2012

*** Revised ***

"Please Note: Data in this report is accurate as of print date; however all data is subject to change."

Approved for Distribution: Samuel R. M. Burton

Date: October 18, 2012

Table 1 - Summary of Helium Operations

July - 2012

Helium Enrichment Unit Operations

| Gas Processed | Month | | | Gross FYTD | Net FYTD |
|----------------------------|--------------|------------|-----------------|------------|-----------|
| | Gross Volume | Net Helium | Average Percent | | |
| Measured Plant Feed (Mcf*) | 540,320 | 135,143 | 25.01% | 6,639,535 | 1,806,508 |
| Helium Product (Mcf*) | 166,445 | 131,674 | 79.11% | 2,269,494 | 1,795,162 |
| Residue Natural Gas (Mcf*) | 213,814 | 0 | 0.00% | 2,869,112 | 1 |

* Volumes in Mcf at 14.65 psia & 60°F

Natural Gas & Liquids Produced

| Gas Processed | Month | FYTD |
|-----------------------------|---------|-----------|
| Natural Gas Sales (Mcf****) | 211,887 | 2,841,381 |
| NGL Sales (gallons) | 77,793 | 1,036,878 |

*** Volumes in Mcf at 14.73 psia & 60°F

Bush Dome Reservoir Operations

| Conservation gases from all sources | Month | | | Gross FYTD | Net FYTD |
|-------------------------------------|--------------|------------|-----------------|------------|-----------|
| | Gross Volume | Net Helium | Average Percent | | |
| Total Withdrawn (Mcf*) | 536,973 | 134,258 | 25.00% | 6,635,012 | 1,807,049 |
| Crude Injection (Mcf*) | 0 | 0 | 00.00% | 0 | 0 |
| Crude Production (Mcf*) | 0 | 0 | 00.00% | 0 | 0 |

* Volumes in Mcf at 14.65 psia & 60°F

Storage Operations

| Conservation Helium | Volume Outstanding | Month | FYTD | CYTD | Cumulative |
|---|--------------------|------------|-----------|-----------|------------|
| Conservation Crude Sale Volume Sold/Paid (Mcf*) | | 0 | 1,575,000 | 1,050,000 | 15,638,600 |
| Conservation Crude Sale Volume Transferred (Mcf*) | 0 | 525,000 | 2,100,000 | 1,500,000 | 15,638,600 |
| Conservation Helium in Storage (EOM) (Mcf*) | | 11,485,945 | | | |

* Volumes in Mcf at 14.65 psia & 60°F

In Kind Helium

| | Month | FYTD | CYTD | Cumulative |
|---------------------------------|--------|---------|--------|------------|
| Sale Volumes Transferred (Mcf*) | 0 | 116,862 | 74,736 | 2,833,592 |
| Sale Volumes Outstanding (Mcf*) | 37,010 | | | |

* Volumes in Mcf at 14.65 psia & 60°F

Private Company Helium Storage Contracts

| Contact Activity | Month | | | Annual Helium FYTD |
|--|--------------|------------|-----------------|--------------------|
| | Gross Volume | Net Helium | Average Percent | |
| Crude Acquired (Mcf*) | 44,750 | 30,501 | 68.16% | 304,153 |
| Crude Disposed (Mcf*) | 211,547 | 162,850 | 76.98% | 2,071,260 |
| Net Balance (Mcf*) | (166,797) | (132,349) | | (1,767,107) |
| Balance of Stored Helium End Of Month (Mcf*) | | 1,604,280 | | |

* Volumes in Mcf at 14.65 psia & 60°F

Revenue / Charges

| Helium Storage Contracts (Charges Billed (\$)) | Month | FYTD |
|--|-----------|-------------|
| Storage Fees Billed (\$) | \$398,940 | \$3,533,470 |
| Reservoir Management Fees Billed (\$) | \$173,166 | \$2,352,618 |

Field Compressor Charges (Charges Billed (\$))

| | Month | FYTD |
|--|------------|-------------|
| Funded by the Refiners (provides for booster compression services) | (\$59,706) | (\$597,059) |
| Cliffside Refiners, LP, by Agreement #GDA010003 (reimburses BLM for fuel, labor, supplies, etc.) | \$16,462 | \$164,624 |
| Net-Total (Funded by the Refiners for compression costs.) | (\$43,244) | (\$432,436) |

Enrichment Unit Charges (Charges Billed (\$))

| | Month | FYTD |
|---|-------------|---------------|
| Reservoir Management Fees (RMF) | \$173,166 | \$2,352,618 |
| Total operating costs | (\$844,998) | (\$8,537,043) |
| Sub Total - Items provided by BLM | \$342,440 | \$3,511,464 |
| Total - Cliffside Refiners, LP, GDA030001 | (\$502,558) | (\$5,025,579) |

Conservation Helium - Natural Gas - Liquid Sales (Charges Billed (\$))

| | Month | FYTD |
|---------------------------------|-----------|---------------|
| Conservation Crude Helium Sales | \$0 | \$119,306,250 |
| In Kind Sales | \$0 | \$7,256,566 |
| Natural Gas & Liquid Sales | \$680,880 | \$8,886,043 |

Helium Resources Evaluation

| | Month | FYTD |
|--|---------------|--------------|
| Revenue Collected from Federal Lease Holds | \$993,381 | \$9,613,247 |
| Helium Sample Collection Report for month | Submitted - 0 | Received - 0 |
| | Analyzed - 31 | |

*Rounded to nearest dollar

Table 2 - Bush Dome Reservoir Operations

July - 2012

| | | Gross Withdrawal | | Net Helium Withdrawal | | Nitrogen | | Methane | | Ethane plus | | Other (CO2, Ar, H2) | |
|------------------|--------|------------------|--------------------|-----------------------|-------------------|----------------|-------------------|----------------|--------------------|---------------|-------------------|---------------------|------------------|
| | | Month | Cumulative | Month | Cumulative | Month | Cumulative | Month | Cumulative | Month | Cumulative | Month | Cumulative |
| TOTAL | | 536,973 | 201,025,118 | 134,258 | 37,062,025 | 134,461 | 49,453,123 | 238,061 | 102,559,190 | 25,577 | 10,283,488 | 4,616 | 1,667,293 |
| BIVINS A-3 | Jul-12 | 20,444 | 10,690,406 | 10,791 | 3,412,028 | 5,115 | 2,704,278 | 3,978 | 4,101,308 | 425 | 400,950 | 135 | 71,841 |
| BIVINS A-6 | Jul-12 | 47,950 | 9,744,832 | 30,560 | 5,795,623 | 11,945 | 2,392,510 | 4,651 | 1,383,918 | 449 | 132,083 | 345 | 40,700 |
| BIVINS A-13 | Jul-12 | 34,696 | 6,679,239 | 13,844 | 3,802,262 | 8,627 | 1,727,574 | 10,747 | 1,005,400 | 1,221 | 108,613 | 256 | 35,390 |
| BIVINS A-14 | Jul-12 | 40,194 | 7,345,565 | 18,459 | 4,659,395 | 10,009 | 1,867,683 | 10,289 | 707,207 | 1,116 | 73,944 | 321 | 37,336 |
| BIVINS A-4 | Jul-12 | 31,279 | 12,005,107 | 6,081 | 2,179,101 | 7,629 | 2,910,245 | 15,611 | 6,192,870 | 1,657 | 617,862 | 300 | 105,029 |
| BUSH A-2 | Jul-12 | 41,076 | 11,179,388 | 6,755 | 1,719,236 | 10,384 | 2,731,682 | 21,300 | 6,024,348 | 2,352 | 608,189 | 286 | 95,933 |
| Injection | Jul-12 | 0 | 66,240,889 | 0 | 47,846,276 | 0 | 17,067,782 | 0 | 775,688 | 0 | 23 | 0 | 551,121 |
| inj Bivins A-3 | Jul-12 | 0 | (25,652,315) | 0 | (18,384,452) | 0 | (6,554,549) | 0 | (332,777) | 0 | 0 | 0 | (380,537) |
| inj Bivins A-6 | Jul-12 | 0 | (24,201,365) | 0 | (17,514,139) | 0 | (6,437,517) | 0 | (138,222) | 0 | (12) | 0 | (111,475) |
| inj Bivins A-13 | Jul-12 | 0 | (6,490,417) | 0 | (4,706,191) | 0 | (1,656,853) | 0 | (122,391) | 0 | (2) | 0 | (4,980) |
| inj Bivins A-14 | Jul-12 | 0 | (6,501,333) | 0 | (4,767,421) | 0 | (1,602,106) | 0 | (126,303) | 0 | (7) | 0 | (5,497) |
| inj Bivins A-4 | Jul-12 | 0 | (2,527,801) | 0 | (1,848,815) | 0 | (601,353) | 0 | (42,016) | 0 | 0 | 0 | (35,617) |
| inj Bush A-2 | Jul-12 | 0 | (867,658) | 0 | (625,258) | 0 | (215,406) | 0 | (13,980) | 0 | 0 | 0 | (13,015) |
| Production | Jul-12 | 0 | 1,217,868 | 0 | 897,578 | 0 | 261,663 | 0 | 47,122 | 0 | 3,172 | 0 | 8,333 |
| BIVINS A-1 | Jul-12 | 0 | 2,686,608 | 0 | 48,896 | 0 | 636,995 | 0 | 1,798,415 | 0 | 175,704 | 0 | 26,597 |
| BIVINS A-2 | Jul-12 | 24,433 | 13,136,402 | 1,241 | 1,847,008 | 5,780 | 3,226,710 | 15,554 | 7,236,917 | 1,626 | 717,867 | 232 | 107,901 |
| BIVINS A-5 | Jul-12 | 29,414 | 14,837,294 | 6,113 | 1,818,482 | 7,499 | 3,626,744 | 14,052 | 8,420,805 | 1,523 | 841,820 | 226 | 129,444 |
| BIVINS A-7 | Jul-12 | 23,690 | 10,899,017 | 7,712 | 2,498,211 | 6,173 | 2,737,546 | 8,676 | 5,070,520 | 969 | 513,020 | 158 | 79,720 |
| BIVINS A-9 | Jul-12 | 16,871 | 9,475,633 | 351 | 178,349 | 4,374 | 2,319,657 | 10,861 | 6,260,334 | 1,151 | 629,887 | 133 | 87,407 |
| BIVINS A-11 | Jul-12 | 21,354 | 5,561,407 | 593 | 113,475 | 5,478 | 1,377,074 | 13,639 | 3,645,724 | 1,448 | 372,683 | 196 | 52,451 |
| BIVINS A-15 | Jul-12 | 23,966 | 8,503,731 | 428 | 407,540 | 5,668 | 2,028,788 | 15,952 | 5,438,702 | 1,636 | 542,764 | 281 | 85,937 |
| BIVINS B-1 | Jul-12 | 22,448 | 6,714,779 | 646 | 268,185 | 5,507 | 1,625,453 | 14,552 | 4,316,655 | 1,507 | 438,560 | 236 | 65,926 |
| BIVINS B-2 | Jul-12 | 24,827 | 5,425,244 | 473 | 101,993 | 6,356 | 1,353,236 | 15,916 | 3,535,180 | 1,672 | 362,274 | 411 | 72,562 |
| BUSH A-1 | Jul-12 | 0 | 5,721,962 | 0 | 104,140 | 0 | 1,356,677 | 0 | 3,830,281 | 0 | 374,216 | 0 | 56,647 |
| BUSH A-3 | Jul-12 | 30,584 | 10,765,645 | 12,542 | 2,378,887 | 7,833 | 2,652,286 | 8,955 | 5,125,384 | 1,002 | 514,419 | 252 | 94,668 |
| BUSH A-4 | Jul-12 | 22,630 | 7,814,522 | 4,001 | 1,471,588 | 5,700 | 1,950,193 | 11,457 | 3,936,283 | 1,338 | 399,151 | 134 | 57,307 |
| BUSH A-5 | Jul-12 | 40,508 | 14,729,569 | 12,467 | 3,274,356 | 10,357 | 3,689,661 | 15,710 | 6,959,720 | 1,739 | 701,500 | 235 | 104,332 |
| BUSH A-8 | Jul-12 | 15,251 | 3,585,123 | 282 | 65,723 | 3,794 | 863,684 | 9,911 | 2,374,349 | 1,030 | 238,575 | 234 | 42,792 |
| BUSH A-9 | Jul-12 | 9,050 | 3,780,431 | 479 | 100,836 | 2,306 | 910,402 | 5,601 | 2,487,349 | 615 | 247,966 | 48 | 33,878 |
| BUSH A-11 | Jul-12 | 13,941 | 4,163,393 | 394 | 123,539 | 3,348 | 995,633 | 9,086 | 2,721,239 | 934 | 275,913 | 178 | 47,068 |
| BUSH B-1 | Jul-12 | 2,168 | 3,189,932 | 40 | 59,914 | 526 | 756,667 | 1,432 | 2,132,444 | 153 | 209,632 | 18 | 31,276 |
| FUQUA A-1 | Jul-12 | 0 | 2,954,094 | 0 | 53,854 | 0 | 702,797 | 0 | 1,975,172 | 0 | 193,572 | 0 | 28,699 |
| FUQUA A-2 | Jul-12 | 0 | 132,119 | 0 | 2,404 | 0 | 31,322 | 0 | 88,458 | 0 | 8,637 | 0 | 1,297 |
| FUQUA A-3 | Jul-12 | 200 | 9,303,677 | 4 | 577,000 | 53 | 2,277,627 | 128 | 5,790,210 | 14 | 583,685 | 1 | 75,155 |
| TT Fuel | Jul-12 | 1,786 | 0 | 34 | 0 | 431 | 0 | 1,179 | 0 | 126 | 0 | 15 | 0 |
| field-wide pct's | | | | 25.00% | 18.44% | 25.04% | 24.60% | 44.33% | 51.02% | 4.76% | 5.12% | 0.86% | 0.83% |

Latest estimates of reserves and feed to HEU

Based on NITEC's 2003 reserves study
from NITEC's interim report

| As of EOM | Jul-12 | Volumes in BCF |
|-------------------------------------|--------|----------------------------------|
| Initial Gas In Place | | 330.040 |
| Produced 1924 to 1961 | | 48.830 |
| Injected 1924 to 1961 | | 0.450 |
| Remaining Gas In Place 1961 | | 281.660 |
| Left Behind Pipe, 1961 | | 82.060 =====> |
| Remaining in Place, 1961 | | 199.600 |
| Gas In Place 1961 | | 199.600 |
| Produced 1961 to July 2002 | | 82.450 |
| Injected 1961 to July 2002 | | 64.510 |
| Remaining Gas In Place July 2002 | | 181.660 |
| Produced July 2002 through Dec 2002 | | 1.096 |
| Production 2003 - 11 | | 64.030 |
| Injection 2003 - 11 | | (1.189) |
| Produced to Date 2012 | | 4.616 |
| Injected to Date 2012 | | (0.000) |
| Amount of Raw Gas Available to CHEU | | 113.107 =====> |
| Estimated Bottom Hole Pressure | | 416.455 |
| | | Net Helium |
| | | 33.997 |
| | | 0.743 |
| | | 17.490 |
| | | (0.985) |
| | | 1.224 |
| | | (0.000) |
| | | 15.525 total helium in reservoir |
| | | est z-factor |
| | | 0.980 |

* All volumes on Table 2 are reported in Mcf at 14.65 psia & 60°F

Table 3 - Gas Volumes & Inventory

July - 2012

Crude Helium Enrichment Unit Operations

| | | Gross Withdrawal | | Net Helium Withdrawal | | Nitrogen | | Methane | | Ethane plus | | Other (CO ₂ , Ar, H ₂) | |
|------------------|--------|------------------|------------|-----------------------|------------|----------|------------|---------|------------|-------------|------------|---|------------|
| | | Month | Cumulative | Month | Cumulative | Month | Cumulative | Month | Cumulative | Month | Cumulative | Month | Cumulative |
| Measured Feed | Jul-12 | 540,320 | 66,179,089 | 135,143 | 17,057,485 | 137,716 | 16,613,450 | 237,713 | 28,874,391 | 25,164 | 3,075,687 | 4,585 | 558,077 |
| Calculated Feed | Jul-12 | 537,640 | 65,852,725 | 134,233 | 17,055,382 | 134,607 | 16,532,045 | 238,547 | 28,645,917 | 25,627 | 3,063,435 | 4,626 | 555,946 |
| Feed to Box | Jul-12 | 534,281 | 65,464,580 | 134,233 | 17,055,560 | 134,607 | 16,532,127 | 238,547 | 28,645,963 | 25,627 | 3,063,442 | 1,267 | 167,487 |
| Cheu Product | Jul-12 | 166,445 | 21,410,116 | 131,674 | 16,837,011 | 30,458 | 4,008,428 | 3,131 | 415,218 | 1 | 396 | 1,182 | 149,063 |
| Residue | Jul-12 | 213,814 | 28,886,974 | 0 | 1,477 | 6,025 | 726,669 | 189,420 | 25,610,262 | 18,362 | 2,547,328 | 7 | 1,238 |
| Cold Box Vent | Jul-12 | 81,406 | 11,275,968 | 235 | 85,317 | 75,254 | 9,948,027 | 5,892 | 1,182,013 | 0 | 136 | 25 | 60,475 |
| Flare/Boot Strap | Jul-12 | 81,406 | 1,792,217 | 235 | 46,096 | 75,254 | 1,203,030 | 5,892 | 444,182 | 0 | 93,600 | 25 | 5,309 |
| Fuel From Cheu | Jul-12 | 5,138 | 897,921 | 0 | 245 | 164 | 27,074 | 4,227 | 728,621 | 748 | 141,981 | 0 | 0 |
| Shrinkage/Loss | Jul-12 | 4,214 | 268,217 | 0 | 0 | 0 | 0 | 0 | 0 | 4,214 | 268,217 | 0 | 0 |
| Unaccounted* | Jul-12 | 29,080 | 1,791,635 | 793 | 78,084 | 14,199 | 1,464,010 | 14,053 | 246,037 | (0) | 1,084 | 36 | 2,420 |

*Before October 2004, the values are estimated

Storage Operations

Inventory (contained helium)

| | Government | Private |
|-----------------------------------|------------|-----------|
| Beginning inventory | 12,014,784 | 1,211,629 |
| net acceptances + redeliveries | 0 | 0 |
| In Kind Transfers | 0 | 0 |
| Conservation Crude Sales | (525,000) | 525,000 |
| Gain/loss | (3,839) | |
| Ending Inventory | 11,485,945 | 1,604,280 |
| Total Helium in Reservoir | 15,524,663 | |
| Total Helium in Storage | 13,090,225 | |
| Helium in native gas | 2,434,439 | |

Crude Helium Pipeline

| | Gross | Net Helium | Percent |
|--|---------|------------|---------|
| Beginning inventory | 46,895 | 36,054 | 76.88% |
| Measured to Pipeline (Private Plants) | 44,750 | 30,563 | 68.30% |
| Measured from Pipeline (Private Plant) | 211,547 | 162,850 | 76.98% |
| HEU Production | 166,445 | 131,674 | 79.11% |
| Injection | 0 | 0 | 00.00% |
| Production | 0 | 0 | |
| Ending Inventory | 41,094 | 31,601 | 76.90% |
| Gain/Loss | (5,449) | (3,839) | |

Tuck Trigg Reservoir Operations

| Native Gas (Gross) | Since Field | | |
|--------------------------------------|-------------|-------------|-----------|
| | Month | Fiscal Year | Discovery |
| Total in place, beg. of period | 5,198,688 | 5,198,688 | 5,890,000 |
| Recoverable in place, beg. of period | 4,528,688 | 4,528,688 | 5,220,000 |
| Production during period to date | 0 | 0 | 691,312 |
| Total in place, end of month | 5,198,688 | 5,198,688 | 5,198,688 |
| Recoverable in place, end of month | 4,528,688 | 4,528,688 | 4,528,688 |

* All volumes on Table 3 are reported in Mcf at 14.65 psia & 60°F

Table 4 - In Kind Helium Sales

July - 2012

| | NASA* | Navy* | Army* | Air Force* | DOE* | Other Fed* | Subtotal* | In Kind+ | Charges Billed (\$)** | |
|--|-----------|--------|-------|------------|---------|------------|-----------|-----------|-----------------------|------------|
| In Kind Helium | | | | | | | | | | |
| AirGas South West, Contract no. INC98-0101 | | | | | | | | | (billed quarterly) | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| AirGas North Central, Contract no. INC98-0102 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| AirGas Intermountain, Contract no. INC98-0103 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| Air Liquide Helium America, Inc., Contract no. INC98-0104 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| Air Products, L.P., Contract no. INC98-0105 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| Linde Gas North America, LLC, Contract no. INC98-0106 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| Corp Brothers, Inc., Contract no. INC98-0107 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| FIBA Technologies, Inc., Contract no. INC98-0108 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| General Air Service & Supply Co., Contract no. INC98-0109 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| Jack B. Kelley Co., Contract no. INC98-0110 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| Portland Welding Supply, Contract no. INC98-0111 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| Praxair, Inc., Contract no. INC98-0112 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| United States Welding, Inc., Contract no. INC98-0113 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| Matheson Tri-Gas, Inc., Contract no. INC98-0114 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| GT & S, Contract no. INC00-0115 | | | | | | | | | | |
| Month | | | | | | | | | | |
| FYTD | | | | | | | | | | |
| Total month | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | \$0 | |
| Total FYTD | 36,404 | 7,093 | 45 | 935 | 19,870 | 48,624 | 112,971 | 111,226 | \$7,256,566 | |
| Total CYTD | 23,171 | 4,842 | 45 | 89 | 10,737 | 35,188 | 74,072 | 72,930 | \$4,776,900 | |
| Cumulative | 1,663,474 | 92,998 | 309 | 271,480 | 392,357 | 495,096 | 2,915,716 | 2,870,527 | \$158,396,073 | |
| In Kind Transfers | | | | | | | Month | FYTD | CYTD | Cumulative |
| Transferred | | | | | | | 0 | 116,862 | 74,736 | 2,833,592 |
| Volume outstanding | | | | | | | 37,010 | | | |

* Volumes in Mcf at 14.7 psia & 70°F
 + Volumes in Mcf at 14.65 psia & 60°F

**Rounded to nearest dollar

Table 5 - Conservation Crude Sales/Reserve Sell-down

July - 2012

Helium & Natural Gas Sales

| | Award Volume* | Outstanding* | Sales* | Charges Billed (\$)*** (billed quarterly) | |
|---|---------------|--------------|------------|--|------------|
| Conservation Helium | | | | | |
| <u>Air Liquide Helium America, Inc.</u> | | | | | |
| Month | 0 | 0 | 0 | \$0 | |
| FYTD | 0 | 0 | 0 | \$0 | |
| Cumulative | 264,250 | | 264,250 | \$18,302,250 | |
| <u>Air Products, L.P.</u> | | | | | |
| Month | 185,535 | 0 | 0 | \$0 | |
| FYTD | 661,005 | 185,535 | 475,470 | \$36,016,853 | |
| Cumulative | 6,310,405 | | 6,124,870 | \$384,923,603 | |
| <u>Linde Gas North America, LLC</u> | | | | | |
| Month | 136,185 | 0 | 0 | \$0 | |
| FYTD | 602,370 | 136,185 | 466,185 | \$35,313,514 | |
| Cumulative | 4,924,120 | | 4,787,935 | \$290,848,514 | |
| <u>Keyes Helium Co., LLC</u> | | | | | |
| Month | 27,615 | 0 | 0 | \$0 | |
| FYTD | 80,230 | 27,615 | 52,615 | \$3,985,586 | |
| Cumulative | 783,430 | | 755,815 | \$46,037,986 | |
| <u>Matheson Tri-Gas, Inc.</u> | | | | | |
| Month | 0 | 0 | 0 | \$0 | |
| FYTD | 0 | 0 | 0 | \$0 | |
| Cumulative | 10,000 | | 10,000 | \$587,500 | |
| <u>Praxair, Inc.</u> | | | | | |
| Month | 175,665 | 0 | 0 | \$0 | |
| FYTD | 756,395 | 175,665 | 580,730 | \$43,990,298 | |
| Cumulative | 3,671,395 | | 3,495,730 | \$223,749,048 | |
| <u>Linde Gas, LLC discontinued 10 2008</u> | | | | | |
| Month | 0 | 0 | 0 | \$0 | |
| FYTD | 0 | 0 | 0 | \$0 | |
| Cumulative | 200,000 | | 200,000 | \$11,035,000 | |
| Total month | 525,000 | 0 | 0 | \$0 | |
| Total FYTD | 2,100,000 | 525,000 | 1,575,000 | \$119,306,250 | |
| Total CYTD | 1,575,000 | | 1,050,000 | \$79,537,500 | |
| Cumulative | 16,163,600 | | 15,638,600 | \$975,483,900 | |
| Conservation Crude Transfers | | | | | |
| Transferred | | Month | FYTD | CYTD | Cumulative |
| Volume outstanding | | 525,000 | 2,100,000 | 1,500,000 | 15,638,600 |
| | | 0 | | | |

* Volumes in Mcf at 14.65 psia & 60°F

Natural Gas/Liquid Sales

| | Natural Gas (Mcf)*** | NGLs (gal) | Decatherms | Avg Btu Value | Charges Billed (\$)*** (billed monthly) |
|---|----------------------|------------|-------------------|--------------------------|--|
| <u>El Paso Natural Gas</u> | | | | | |
| Month | 211,887 | --- | 231,702 | 1,094 | (\$27,997) |
| FYTD | 2,841,381 | --- | 3,107,482 | 1,094 | (\$299,085) |
| Cumulative | 28,310,099 | --- | 31,107,863 | 1,099 | (\$3,178,191) |
| <u>Minerals Management Service</u> | | | | | |
| Cumulative | --- | --- | --- | --- | (\$179,913) |
| <u>Tenaska</u> | | | | | |
| Month | --- | --- | 230,200 | \$2.700371 | \$621,626 |
| FYTD | --- | --- | 3,072,353 | \$2.503236 | \$7,690,824 |
| Cumulative | --- | --- | 30,902,902 | \$5.134562 | \$157,846,327 |
| <u>Sandstone</u> | | | | | |
| Month | --- | 77,793 | 8,356 | \$10.441817 | \$87,252 |
| FYTD | --- | 1,036,878 | 110,072 | \$13.575700 | \$1,494,304 |
| Cumulative | --- | 8,056,675 | 859,576 | \$12.306725 | \$10,578,565 |
| | Natural Gas (Mcf)*** | NGLs (gal) | Purchased (Dth's) | \$\$ Per Unit (\$\$/Dth) | Total (\$) |
| Total month | 211,887 | 77,793 | 238,556 | \$2.854174 | \$680,880 |
| Total FYTD | 2,841,381 | 1,036,878 | 3,182,425 | \$2.792224 | \$8,886,043 |
| Total CYTD | 1,994,633 | 715,244 | 2,222,797 | \$2.515917 | \$5,592,372 |
| Cumulative | 28,310,099 | 8,056,675 | 31,762,478 | \$5.222934 | \$165,066,787 |

*** Volumes in Mcf at 14.73 psia & 60°F

**Rounded to nearest dollar

Table 6 - Helium Resources Evaluation

July - 2012

All Volumes in Mcf at 14.7 psia & 70°F

| Revenue Collected From Federal Leaseholds | Month* | FYTD* |
|---|------------------|--------------------|
| Fee Sales & Royalties | \$993,065 | \$9,579,184 |
| Natural Gas Royalties (1) | \$0 | \$4,135 |
| Natural Gas Rentals | \$0 | \$0 |
| Other | \$29,927 | \$401,093 |
| Revenue Collected from Federal Lease Holds | \$993,381 | \$9,613,247 |

*Totals do not sum

| Helium Analysis and Evaluation | Month | FYTD |
|---|-------|------|
| Number of Sample Request Letters Sent | 0 | 0 |
| Number of Samples Received | 0 | 0 |
| Number of Samples Analyzed | 0 | 98 |
| Total Number of Samples Analyzed For Resources Division | 0 | 129 |
| Total Number of Other Samples Analyzed (2) | 31 | 227 |

U. S. Helium Production

| <i>Domestic</i> | FY Volume | CY Volume |
|--|-----------|-------------|
| 2007 Helium Sold | 4,995,600 | 4,965,176 |
| 2008 Helium Sold | 4,771,200 | 4,668,286 |
| 2009 Helium Sold | 4,325,600 | 4,238,415 |
| 2010 Helium Sold | 4,559,100 | 4,644,278 |
| 2011 Helium Sold | 4,604,000 | 4,692,233 |
| Estimated Helium Resources as of 12/31/2006(Mcf) | | 732,000,000 |

| | FY-2010 | CY-2010 |
|--------------------------------|-----------|-----------|
| U.S. Helium Exports (3) | 2,663,848 | 2,767,536 |

(1) Includes drip gas sales & other miscellaneous gas sales.

(2) Includes pipeline, field survey, and other requested analyses.

(3) Data from Department of Commerce - Bureau of the Census.

Table 7 - Helium Storage Contract Activity

July - 2012

All Volumes in Mcf at 14.65 psia & 60°F

| | Metered Gas | | | | | Transferred Gas Helium | | Stored Helium EOM | Charges Billed (\$)** | |
|---|-------------|----------|-----------|-------------|-------------|------------------------|------------|-------------------|-----------------------|-----------------------|
| | Gross Gas | Helium % | Helium | Helium | | Month | Cumulative | | Month | FYTD |
| | Month | | FYTD | CYTD | Cumulative | | | | | |
| Total All Contracts* | | | | | | | | | | |
| Crude Acquired | 44,750 | 68.2% | 30,501 | 304,153 | 209,167 | 30,220,206 | 591,371 | 48,346,049 | | |
| Crude Disposed | 211,547 | 77.0% | 162,850 | 2,071,260 | 1,402,096 | 44,966,987 | 66,371 | 30,516,270 | \$398,940 | Storage Fees |
| Grade-A Rdlvrd | 0 | | 0 | 0 | 0 | 1,478,718 | | | \$173,166 | RMF Fees |
| Net/Balance | (166,797) | | (132,349) | (1,767,107) | (1,192,929) | (16,225,499) | 525,000 | 17,829,779 | 1,604,280 | \$572,105 \$5,886,087 |
| Total Prior Contracts (TERMINATED) | | | | | | | | | | |
| Crude Acquired | | | 0 | 0 | 0 | 17,406,129 | 0 | 18,196,898 | | |
| Crude Disposed | | | 0 | 0 | 0 | 11,830,863 | 0 | 19,148,768 | | |
| Grade-A Rdlvrd | | | 0 | 0 | 0 | 1,478,718 | | | | |
| Number of trailers | | | 0 | 0 | 0 | 9,834 | | 0 | | |
| Linde Gas North America, LLC, Contract no. 1995-3249 | | | | | | | | | | |
| Crude Acquired | | | | | | | | | | |
| Crude Disposed | | | | | | | | | | |
| Net/Balance | | | | | | | | | | |
| Praxair, Inc., Contract no. 1995-3251 | | | | | | | | | | |
| Crude Acquired | | | | | | | | | | |
| Crude Disposed | | | | | | | | | | |
| Net/Balance | | | | | | | | | | |
| Air Products, L.P., Contract no. 1995-3256 | | | | | | | | | | |
| Crude Acquired | | | | | | | | | | |
| Crude Disposed | | | | | | | | | | |
| Net/Balance | | | | | | | | | | |
| ExxonMobil Gas Marketing Co., Contract no. 1995-3280 | | | | | | | | | | |
| Crude Acquired | | | | | | | | | | |
| Crude Disposed | | | | | | | | | | |
| Net/Balance | | | | | | | | | | |
| Pioneer Natural Resources USA, Inc, Contract no. 1995-3286 | | | | | | | | | | |
| Crude Acquired | | | | | | | | | | |
| Crude Disposed | | | | | | | | | | |
| Net/Balance | | | | | | | | | | |
| Keyes Helium Co., LLC, Contract no. 1995-3287 | | | | | | | | | | |
| Crude Acquired | | | | | | | | | | |
| Crude Disposed | | | | | | | | | | |
| Net/Balance | | | | | | | | | | |
| Air Liquide Helium America, Inc., Contract no. 2003-3284 | | | | | | | | | | |
| Crude Acquired | | | | | | | | | | |
| Crude Disposed | | | | | | | | | | |
| Net/Balance | | | | | | | | | | |
| Matheson Tri-Gas, Inc., Contract no. 2007-3288 | | | | | | | | | | |
| Crude Acquired | | | | | | | | | | |
| Crude Disposed | | | | | | | | | | |
| Net/Balance | | | | | | | | | | |
| Airgas Merchant Gases, Contract no. 2009-3290 | | | | | | | | | | |
| Crude Acquired | | | | | | | | | | |
| Crude Disposed | | | | | | | | | | |
| Net/Balance | | | | | | | | | | |

| Government Helium | | |
|--|--|------------|
| Remaining Crude Acquired beginning of the month | | 12,014,784 |
| Crude Disposed: In Kind Sales transferred for the month | | 0 |
| Conservation Crude Sales/Reserve Sell Down transferred (month) | | (525,000) |
| Gains and Losses for the month | | (3,839) |
| Net/Balance of Purchased Helium Remaining for Sale | | 11,485,945 |

*Includes In Kind and Conservation Crude transfers from Government storage

**Rounded to nearest dollar

Table 8 - Compression & CHEU (Charges & Operations)

July - 2012

| Field/CHEU Compressor Operations | | Month | FYTD | Cumulative |
|--|--------------|----------|-----------|-------------|
| Spot gas fuel price * | \$ per/MMBTU | \$2.70 | \$2.58 | \$5.27 |
| Fuel used * (now includes field compression well head) | total MMBTU | 7,929 | 95,239 | 1,253,187 |
| Field Compression Fuel Cost * | \$dollars | \$0 | \$0 | \$654,398 |
| CHEU Compression Fuel Cost * | \$dollars | \$12,450 | \$124,816 | \$3,529,301 |
| CHEU Process Fuel Cost * | \$dollars | \$7,371 | \$74,562 | \$2,372,155 |
| Rental compressor(s) fuel consumed (well head) | \$dollars | \$1,588 | \$11,490 | \$13,576 |
| Rental Compressor(s) helium in fuel (Mcf x \$\$) | \$dollars | \$4,621 | \$34,922 | \$37,073 |
| Rental compressor(s) helium in fuel (Mcf) | Mcf | 61 | 461 | 490 |
| #1 Compressor run time * | hours | 0 | 6,214 | 73,588 |
| #2 Compressor run time * | hours | 513 | 1,983 | 49,031 |
| #3 Compressor run time * | hours | 542 | 5,893 | 38,300 |

* Field/CHEU Compressor Operations based on Jul 12 activity

| Field Compressor Charges | Charges Billed (\$)* | | |
|--|----------------------|--------------------|----------------------|
| Linde Gas North America, LLC, Contract no. 1995-3249 | | | |
| Praxair, Inc., Contract no. 1995-3251 | | | |
| Air Products, L.P., Contract no. 1995-3256 | | | |
| Keyes Helium Co., LLC, Contract no. 1995-3287 | | | |
| SubTotal - Cliffside Refiners, LP (provides booster compression services) | (\$59,706) | (\$597,059) | (\$9,007,549) |
| Cliffside Refiners, LP, GDA010003 (BLM provided fuel *, labor, supplies, etc.) | \$16,462 | \$164,624 | \$2,253,416 |
| Net Total - Cliffside Refiners, LP | (\$43,244) | (\$432,436) | (\$6,754,133) |

* BLM provided fuel cost is based on Jun 12 fuel consumed

***Rounded to nearest dollar**

| Crude Helium Enrichment Unit (CHEU) CHEU Runtime | Month | | FYTD | | Cumulative |
|---|-------------|---------|-------------|---------|-------------|
| | Runtime Hrs | Percent | Runtime Hrs | Percent | Runtime Hrs |
| Processing feed gas | 602 | 80.9% | 7,152 | 97.7% | 77,165 |
| Producing residue gas | 520 | 69.9% | 7,038 | 96.1% | 76,287 |
| Producing helium product | 520 | 70.0% | 7,037 | 96.1% | 73,386 |
| Producing natural gas liquids | 481 | 64.6% | 6,999 | 95.6% | 71,883 |

| CHEU Charges | Charges Billed (\$)* | | |
|---|----------------------|---------------|----------------|
| | Month | FYTD | Cumulative |
| Reservoir Management Fees (RMF) | \$173,166 | \$2,352,618 | \$22,379,618 |
| Total operating costs | (\$844,998) | (\$8,537,043) | (\$95,534,077) |
| Labor | \$116,095 | \$1,160,954 | \$8,924,070 |
| Compressor fuel cost Jun 12 | \$12,960 | \$133,235 | \$3,567,666 |
| HEU fuel cost Jun 12 | \$7,812 | \$78,966 | \$2,409,611 |
| Electrical power cost Jun 12 | \$120,101 | \$1,324,197 | \$14,326,407 |
| Other | \$85,472 | \$814,113 | \$9,391,166 |
| Sub Total - Items provided by BLM | \$342,440 | \$3,511,464 | \$41,828,275 |
| Total - Cliffside Refiners, LP, GDA030001 | (\$502,558) | (\$5,025,579) | (\$53,705,802) |

***Rounded to nearest dollar**

| CHEU Utility Usage | Month | FYTD | Cumulative |
|---|-----------|------------|-------------|
| Cheu Fuel Gas (Mcf) usage Jul 12 | 2,641 | 29,398 | 400,733 |
| Cheu Pure Water Usage (gallons) Jul 12 | 1,736 | 10,108 | 253,593 |
| Electricity Metered (Kwh) consumed Jun 12 | 2,802,172 | 28,568,683 | 260,911,005 |