

2008 AEPI Capital Expenditure Schedule

As of 1-MAY-2008

Motherlode Phase I	Description	Gross Cost	Net cost	Capital Expenditure Date*
Drill and Complete Cross No. 1	11,000 ft Strawn Development Well	\$1,800,000	\$1,620,000	Nov-08
Fracture Stimulate Cazares No. 1	20,000 gallon Acid Frac	\$150,000	\$135,000	Jul-08

Total Mother Lode I **\$1,755,000**

Motherlode Phase II	Description	Gross Cost	Net cost	Capital Expenditure Date*
Drill and complete the Williams 9-1	11,200 ft drill and multi stage frac	\$1,470,000	\$183,750	May-08
Drill and complete the Thomas 9-2	11,200 ft drill and multi stage frac	\$1,325,000	\$165,625	May-08
Drill and complete the Thomas 4-2	11,200 ft drill and multi stage frac	\$1,470,000	\$183,750	Aug-08
Drill and complete the Strain 16-5	10,500 ft drill and multi stage frac	\$1,325,000	\$165,625	Sep-08

Total Mother Lode II **\$698,750**

Motherlode Phase III	Description	Gross Cost	Net cost	Capital Expenditure Date*
Greene Prospect	11,500 ft drill and multi stage frac	\$2,000,000	\$1,100,000	Aug-08
North Hampton	12,000 ft drill and multi stage frac	\$2,000,000	\$1,100,000	Nov-08
Miscellaneous G&G and Land	Various Prospects	\$200,000	\$150,000	All Year

Total Mother Lode III **\$2,350,000**

Palo Pinto-Lone Camp	Description	Gross Cost	Net cost	Capital Expenditure Date*
Brown Vick-Completion Costs	4400 ft drill and test	170,000	\$51,000	Jan-08
Alexander #1 Artificial Lift	Rod up and put on pump	\$30,000	\$27,000	May-08
Drill and complete the Alexander 2	4,200 drill and frac	\$440,000	\$396,000	Jun-08
Drill and complete the Kramer 5	4,200 drill and frac	\$440,000	\$396,000	Jun-08
Kramer 3 workover	Frac new zone	\$40,000	\$36,000	Jun-08
Brown Vick 2	4400 ft drill and test	\$450,000	\$135,000	Jul-08
Brown Vick 3	4400 ft drill and test	\$450,000	\$135,000	Nov-08

Total Palo Pinto-Lone Camp **\$1,176,000**

Palo Pinto-Possum Kingdom	Description	Gross Cost	Net cost	Capital Expenditure Date*
Coleman 2 Workover	Isolate and Plunger Lift	\$50,000	\$45,000	Jun-08
Dabney 1 workover	Add perfs and Frac	\$80,000	\$72,000	Jun-08
Deno Gragg 4 Drill and Complete	4,200 drill and frac	\$440,000	\$396,000	Jul-08
Deno Gragg 3 workover	Add perfs and Frac	\$80,000	\$72,000	Jul-08
Dabney 2 workover	Add perfs and Frac	\$80,000	\$72,000	Jul-08
PK-Gragg #2 Re-Entry	Reneter and test Strawn	\$175,000	\$157,500	Jul-08

Total Palo Pinto-Possum Kingdom **\$814,500**

Total 2008 Cap Ex **\$6,794,250**

* Cap-Ex is based on the month the funds are due--NOT accrued