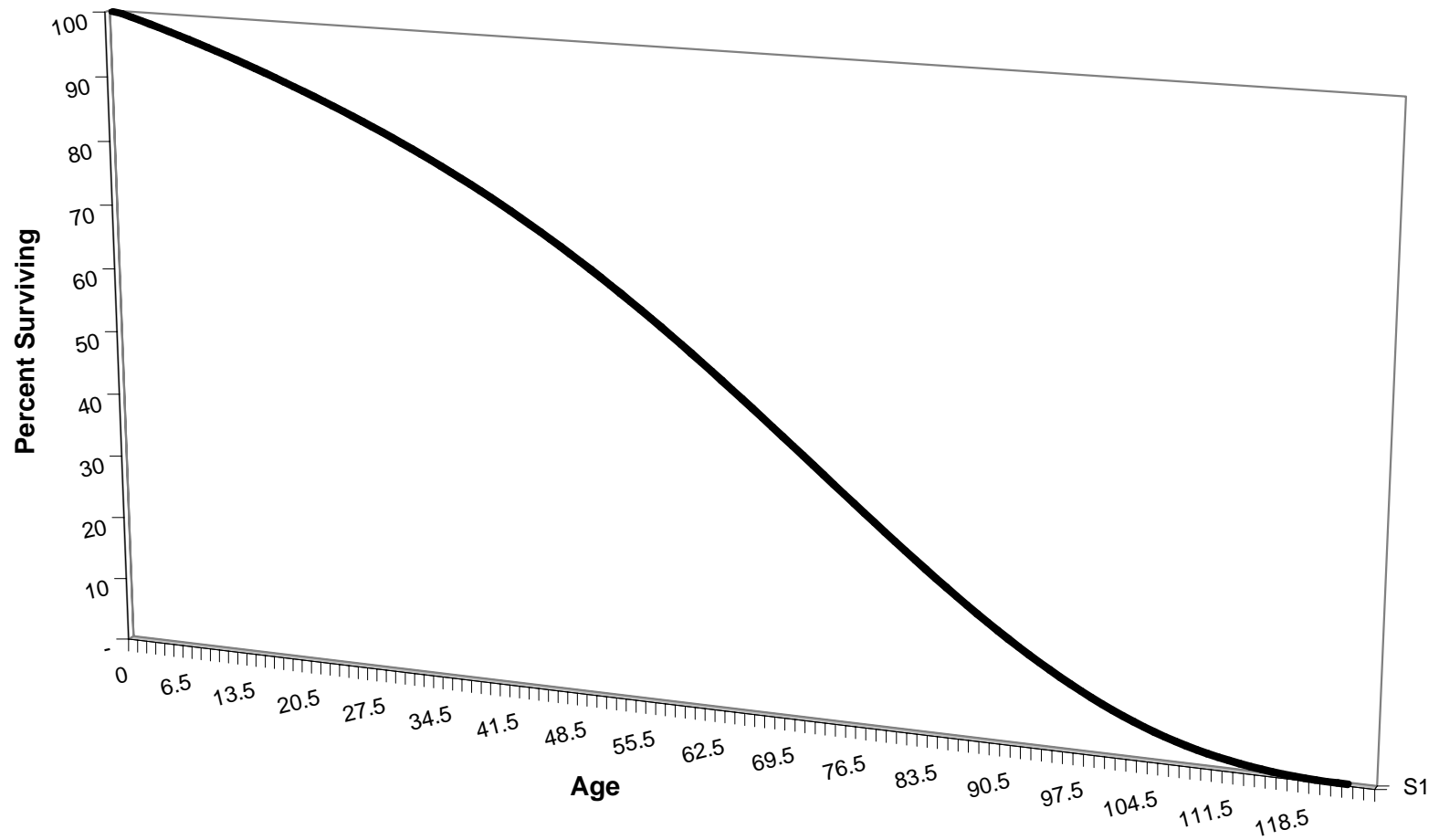


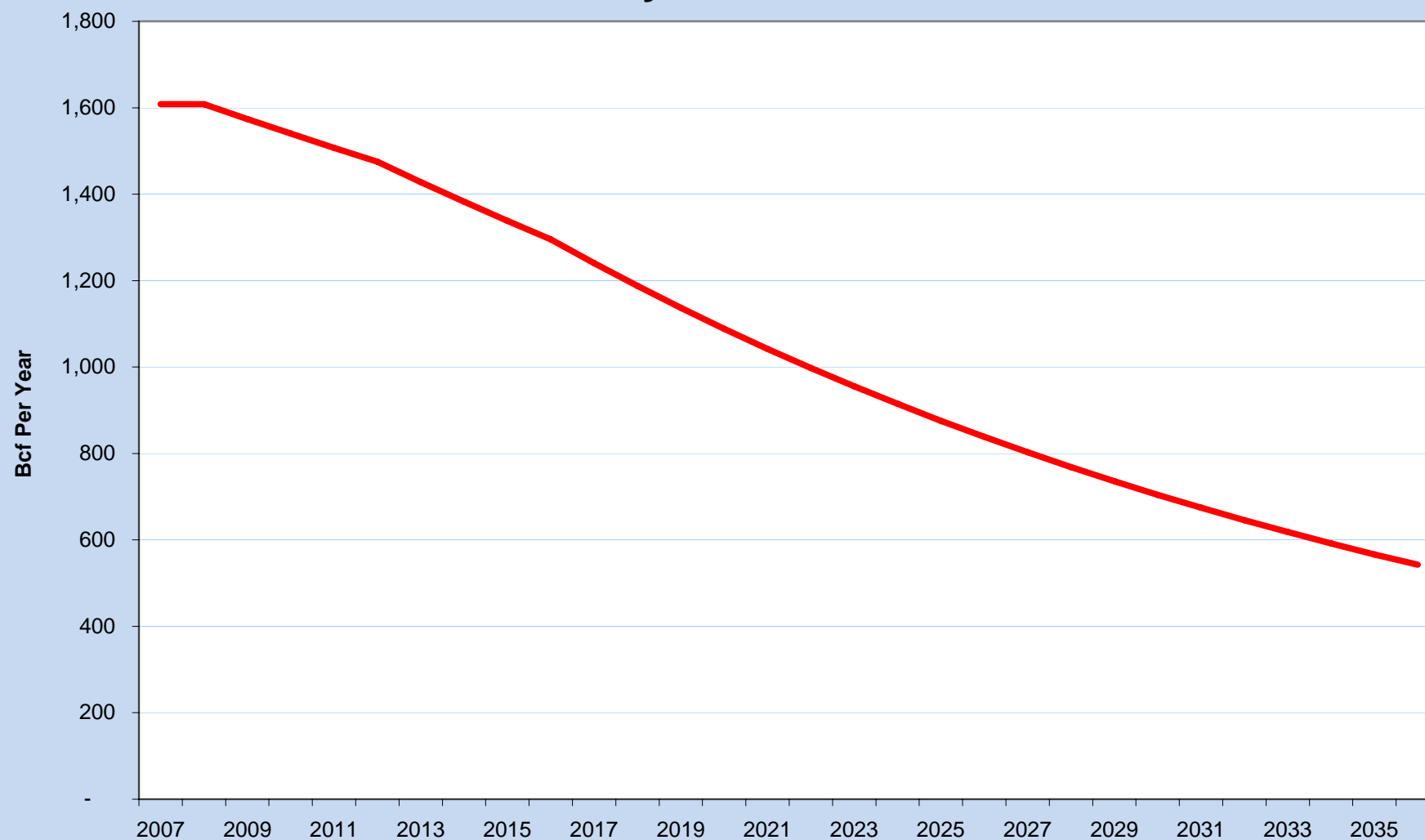
SURVIVOR CURVE



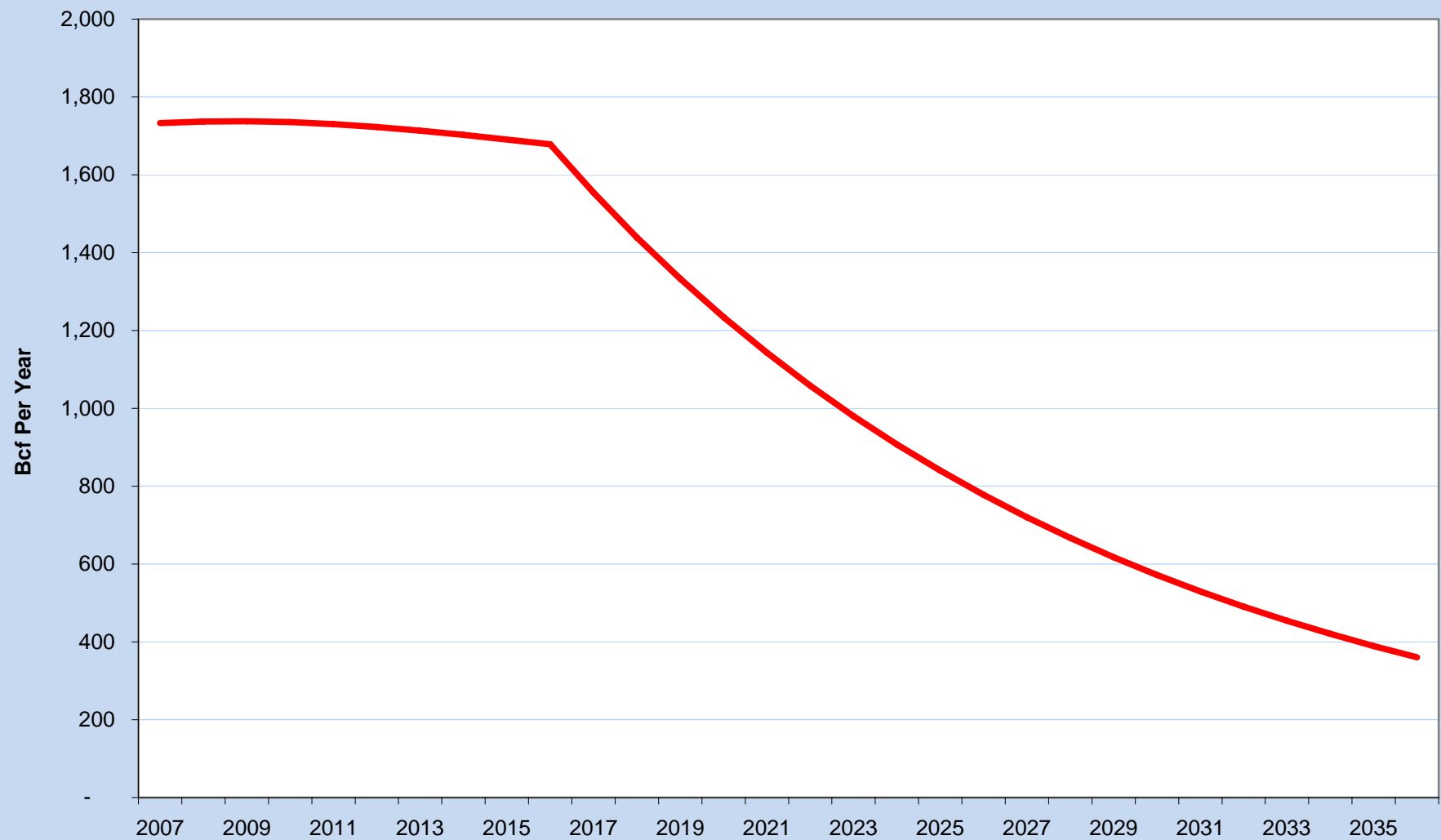
Availability of Gas Reserves and Resources
Dry Marketable Gas

Line No.	Year	Permian Basin	San Juan Basin	Anadarko Basin	Rocky Mountain Region
	(a)	(b)	(c)	(d)	(e)
1	2007	1,733	1,458	1,608	3,447
2	2008	1,737	1,443	1,608	3,641
3	2009	1,738	1,429	1,574	3,795
4	2010	1,736	1,417	1,540	3,923
5	2011	1,730	1,403	1,507	4,032
6	2012	1,723	1,389	1,475	4,126
7	2013	1,713	1,376	1,428	4,208
8	2014	1,703	1,366	1,383	4,279
9	2015	1,691	1,356	1,338	4,341
10	2016	1,678	1,348	1,296	4,180
11	2017	1,554	1,306	1,240	3,961
12	2018	1,439	1,265	1,188	3,760
13	2019	1,333	1,226	1,137	3,577
14	2020	1,234	1,188	1,089	3,408
15	2021	1,143	1,151	1,042	3,253
16	2022	1,058	1,116	998	3,111
17	2023	980	1,081	955	2,980
18	2024	907	1,047	915	2,860
19	2025	840	1,015	876	2,748
20	2026	778	983	838	2,646
21	2027	720	953	803	2,551
22	2028	667	923	768	2,463
23	2029	618	895	736	2,381
24	2030	572	867	704	2,305
25	2031	530	840	674	2,235
26	2032	490	814	646	2,169
27	2033	454	789	618	2,108
28	2034	421	764	592	2,050
28	2035	389	741	567	1,997
30	2036	361	718	542	1,946

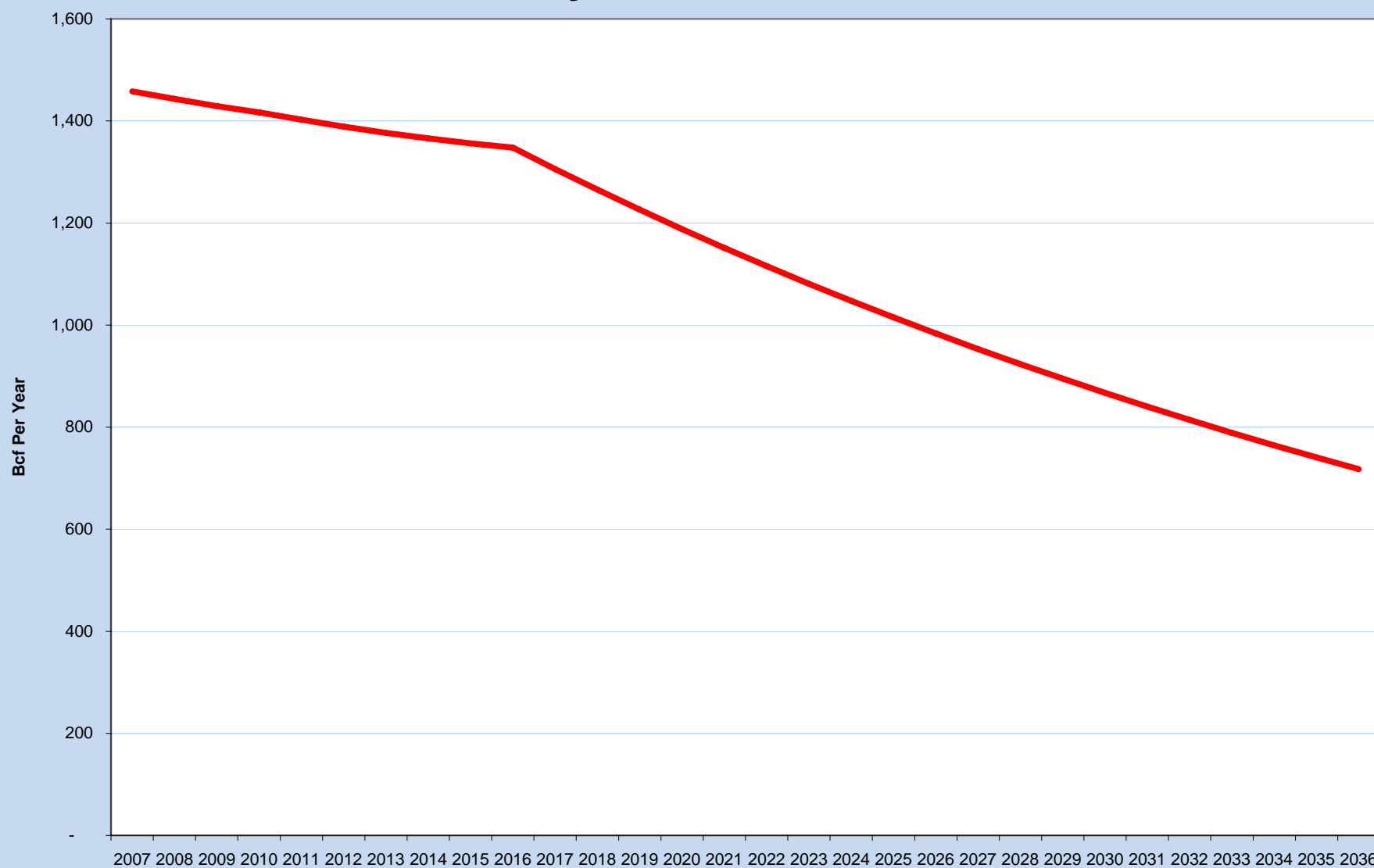
Gas Availability -- Anadarko Basin



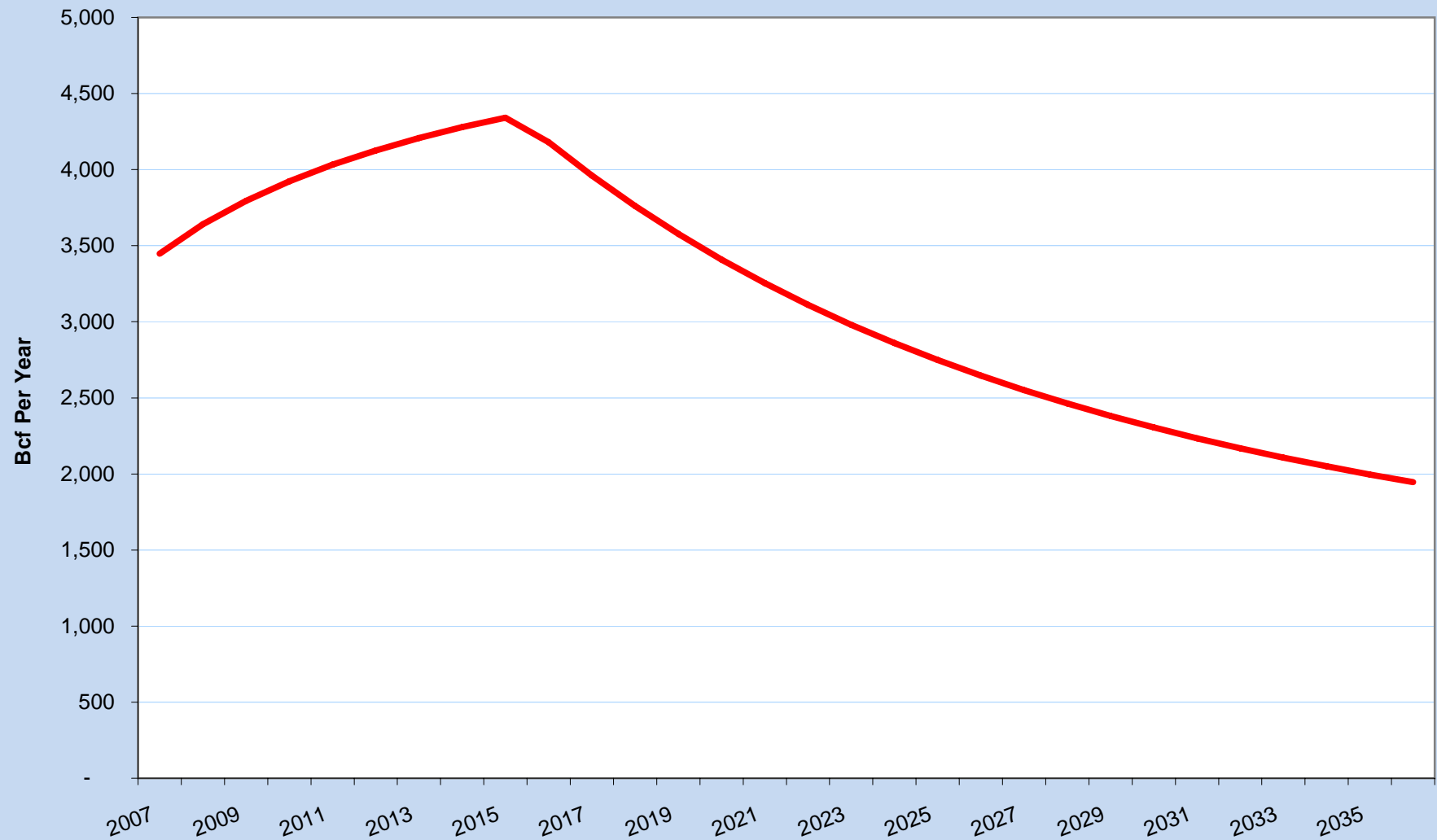
Gas Availability -- Permian Basin



Gas Availability -- San Juan Basin



Gas Availability - Rocky Mountain Area



Permian Basin Gas Supply

[illegible]

DETERMINATION OF THE AVERAGE ECONOMIC LIFE OF EL PASO'S PIPELINE FACILITIES San Juan Basin Gas Supply

Year	Gas Availability (Relative Throughput) Bcf/Year	Deficient Productive Capability as a % of 2005 Capacity of 1,458	Facility Redundancy of Current Plant Facilities of 2,691,162,239	Underutilization of Facilities	3-Year Increments of Underutilization of Facilities	Years Remaining From 2005	Weighted Years Year-to-Year Direct Weighting	Weighted Years 3-Year Increments Direct Weighting
2007	1,458	1.00				1	-	
2008	1,443	0.99	2,663,934,756	27,227,483		2	54,454,966	
2009	1,429	0.98	2,637,287,141	26,647,615		3	79,942,844	
2010	1,417	0.97	2,614,572,164	22,714,977	76,590,075	4	90,859,908	306,360,299
2011	1,403	0.96	2,589,132,923	25,439,242		5	127,196,208	-
2012	1,389	0.95	2,563,288,538	25,844,385		6	155,066,311	
2013	1,376	0.94	2,540,578,280	22,710,257	73,993,884	7	158,971,801	517,957,188
2014	1,366	0.94	2,520,566,952	20,011,328		8	160,090,624	-
2015	1,356	0.93	2,502,878,288	17,688,664		9	159,197,978	
2016	1,348	0.92	2,487,187,273	15,691,015	53,391,008	10	156,910,152	533,910,075
2017	1,306	0.90	2,410,084,467	77,102,805		11	848,130,860	-
2018	1,265	0.87	2,335,371,849	74,712,618		12	896,551,422	
2019	1,226	0.84	2,262,975,321	72,396,527	224,211,951	13	941,154,855	2,914,755,366
2020	1,188	0.81	2,192,823,086	70,152,235		14	982,131,290	-
2021	1,151	0.79	2,124,845,571	67,977,516		15	1,019,662,735	-
2022	1,116	0.77	2,058,975,358	65,870,213	203,999,963	16	1,053,923,403	3,263,999,413
2023	1,081	0.74	1,995,147,122	63,828,236		17	1,085,080,014	
2024	1,047	0.72	1,933,297,561	61,849,561		18	1,113,292,094	-
2025	1,015	0.70	1,873,365,337	59,932,224	185,610,021	19	1,138,712,264	3,526,590,404
2026	983	0.67	1,815,291,011	58,074,325		20	1,161,486,509	
2027	953	0.65	1,759,016,990	56,274,021		21	1,181,754,448	-
2028	923	0.63	1,704,487,463	54,529,527	168,877,873	22	1,199,649,587	3,715,313,217
2029	895	0.61	1,651,648,352	52,839,111		23	1,215,299,561	
2030	867	0.59	1,600,447,253	51,201,099		24	1,228,826,374	-
2031	840	0.58	1,550,833,388	49,613,865	153,654,075	25	1,240,346,621	3,841,351,878
2032	814	0.56	1,502,757,553	48,075,835		26	1,249,971,711	
2033	789	0.54	1,456,172,069	46,585,484		27	1,257,808,072	-
2034	764	0.52	1,411,030,735	45,141,334	139,802,653	28	1,263,957,356	3,914,474,293
2035	741	0.51	1,367,288,782	43,741,953		29	1,268,516,631	
2036	718	0.49	1,324,902,830	1,367,288,782	1,411,030,735	30	41,018,663,464	42,330,922,047
			-	-			-	
			-	-	2,691,162,239.00		-	
			-	-			-	
			-	-			-	



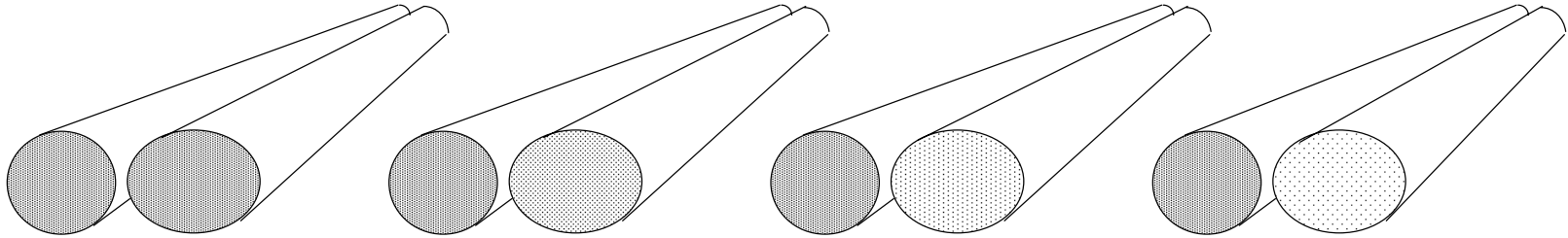
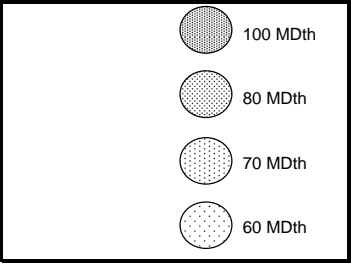
Anadarko Basin Gas Supply

[illegible]

DETERMINATION OF THE AVERAGE ECONOMIC LIFE OF EL PASO'S PIPELINE FACILITIES
Rocky Mountain Region Gas Supply

Year	Gas Availability (Relative Throughput) Bcf/Year	Deficient Productive Capability as a % of 2005 Capacity of 3,447	Facility Redundancy of Current Plant Facilities of \$ 2,691,162,239	Underutilization of Facilities	3-Year Increments of Underutilization of Facilities	Years Remaining From 2005	Weighted Years Year-to-Year <i>Direct Weighting</i>	Weighted Years 3-Year Increments <i>Direct Weighting</i>
2007	3,447	1.00	2,691,162,239			1		
2008	3,641	1.00	2,691,162,239			2		
2009	3,795	1.00	2,691,162,239			3		
2010	3,923	1.00	2,691,162,239			4		
2011	4,032	1.00	2,691,162,239			5		-
2012	4,126	1.00	2,691,162,239			6		
2013	4,208	1.00	2,691,162,239			7		
2014	4,279	1.00	2,691,162,239			8		-
2015	4,341	1.00	2,691,162,239			9		
2016	4,180	1.00	2,691,162,239			10		
2017	3,961	1.00	2,691,162,239			11		-
2018	3,760	1.00	2,691,162,239			12		
2019	3,577	1.00	2,691,162,239			13		
2020	3,408	1.00	2,691,162,239			14		-
2021	3,253	1.00	2,691,162,239			15		-
2022	3,111	1.00	2,691,162,239			16		
2023	2,980	1.00	2,691,162,239			17		
2024	2,860	1.00	2,691,162,239			18		-
2025	2,748	1.00	2,691,162,239			19		
2026	2,646	1.00	2,691,162,239			20		
2027	2,551	1.00	2,691,162,239			21		-
2028	2,463	1.00	2,691,162,239			22		
2029	2,381	1.00	2,691,162,239			23		
2030	2,305	0.67	1,799,661,440	891,500,799		24	21,396,019,170	-
2031	2,235	0.65	1,744,595,100	55,066,340		25	1,376,658,504	
2032	2,169	0.63	1,693,296,072	51,299,028	997,866,167	26	1,333,774,728	25,944,520,340
2033	2,108	0.61	1,645,433,103	47,862,970		27	1,292,300,177	-
2034	2,050	0.59	1,600,706,298	44,726,805		28	1,252,350,529	
2035	1,997	0.58	1,558,844,079	41,862,219	134,451,993	29	1,214,004,358	3,899,107,807
2036	1,946	0.56	1,519,600,432	1,558,844,079	1,558,844,079	30	46,765,322,362	46,765,322,362
			-				-	
			-	-			-	
			-	-			-	
			-	-			-	
				2,691,162,239			-	
				2,691,162,239		27.73	74,630,429,828	76,608,950,509
Weighted Average Economic Life								
					Direct Weighting			28.47

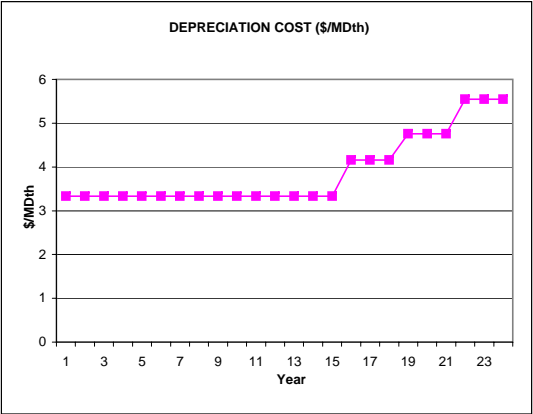
El Paso Natural Gas Company
ILLUSTRATIVE EXAMPLE OF THE EFFECTS OF UNDERUTILIZATION ON THE ECONOMIC LIFE OF A PIPELINE



Plant Investment (\$)	10,000	10,000	10,000	10,000
Cost of Service (\$)	1,000	900	800	700
Depreciation Rate - Not taking into account underutilization (%)	3.33	3.33	3.33	3.33
Depreciation Expense (\$)	333	333	333	333
Time Period (Years)	0 TO 15	16 to 18	19 to 21	22 to 24
Throughput (MDth)	100	80	70	60
Depr Exp Per MDth	3.33 \$/MDth	4.16 \$/MDth	4.76 \$/MDth	5.55 \$/MDth
Cost of Serv Per MDth	10 \$/MDth	11.25 \$/MDth	11.43 \$/MDth	11.67 \$/MDth

Depreciation
Cost Per MDth

1	3.33	13	3.33
2	3.33	14	3.33
3	3.33	15	3.33
4	3.33	16	4.16
5	3.33	17	4.16
6	3.33	18	4.16
7	3.33	19	4.76
8	3.33	20	4.76
9	3.33	21	4.76
10	3.33	22	5.55
11	3.33	23	5.55
12	3.33	24	5.55



EL PASO NATURAL GAS COMPANY
DETERMINATION OF THE DEPRECIATION RATE
STORAGE PLANT - UNDERGROUND STORAGE
Economic Life - 30 Years

Account No.	Description	Gross Plant Investment Feb 29, 2008 \$	Accumulated Reserve for Depreciation Feb 29, 2008 \$	Net Depreciable Plant Feb 29, 2008 \$	Average Remaining Life Years	Indicated Depreciation Expense \$	Depreciation Rate %
Storage Plant - Underground							
2008	350.2 Rights-of-Way	3,106,791	2,071,991	1,034,800	19.4	53,340	
	351.2 Structures - Compressor Station	1,727,608	1,152,182	575,426	15.9	36,190	
	351.3 Structures - M&R Station	9,538	6,361	3,177	28.5	111	
	351.4 Structures - Other	25,788	17,199	8,589	17.0	505	
	352 Wells	10,004,560	6,672,272	3,332,288	17.5	190,416	
	352.3 Storage Leaseholds and Rights	45,071	30,059	15,012	29.5	509	
	353 Lines	7,208,273	4,807,364	2,400,909	16.3	147,295	
	354 Compressor Stations	23,200,095	15,472,679	7,727,416	20.9	369,733	
	355 Meas. & Regulating Sta. Equip.	739,561	493,230	246,331	16.0	15,396	
	356 Purification Equipment	1,141,656	761,397	380,259	12.2	31,169	
	357 Other Equipment	1,078,883	719,532	359,351	14.1	25,486	
	Subtotal	48,287,824	32,204,264	16,083,560		870,151	
	Additions (net)	2,404		2,404	29.5	81	
	Total	48,290,228				870,232	1.80%
2009	350.2 Rights-of-Way	3,106,791	2,125,331	981,460	18.6	52,767	
	351.2 Structures - Compressor Station	1,727,608	1,188,372	539,236	15.1	35,711	
	351.3 Structures - M&R Station	9,538	6,473	3,065	27.7	111	
	351.4 Structures - Other	25,788	17,704	8,084	16.2	499	
	352 Wells	10,004,560	6,862,688	3,141,872	16.7	188,136	
	352.3 Storage Leaseholds and Rights	45,071	30,568	14,503	28.7	505	
	353 Lines	7,208,273	4,954,659	2,253,614	15.5	145,394	
	354 Compressor Stations	23,200,095	15,842,412	7,357,683	20.1	366,054	
	355 Meas. & Regulating Sta. Equip.	739,561	508,626	230,935	15.2	15,193	
	356 Purification Equipment	1,141,656	792,566	349,090	11.4	30,622	
	357 Other Equipment	1,078,883	745,018	333,865	13.3	25,103	
	Total Plant Additions	854,256	81	854,175	28.7	29,762	
	Total Plant Retirements	1,105,362					
	Subtotal	48,036,718				889,857	1.85%
2010	350.2 Rights-of-Way	3,106,791	2,178,098	928,693	17.8	52,174	
	351.2 Structures - Compressor Station	1,727,608	1,224,083	503,525	14.3	35,212	
	351.3 Structures - M&R Station	9,538	6,583	2,955	26.9	110	
	351.4 Structures - Other	25,788	18,203	7,585	15.4	493	
	352 Wells	10,004,560	7,050,824	2,953,736	15.9	185,770	
	352.3 Storage Leaseholds and Rights	45,071	31,073	13,998	27.9	502	
	353 Lines	7,208,273	5,100,053	2,108,220	14.7	143,416	
	354 Compressor Stations	23,200,095	16,208,465	6,991,630	19.3	362,261	
	355 Meas. & Regulating Sta. Equip.	739,561	523,819	215,742	14.4	14,982	
	356 Purification Equipment	1,141,656	823,187	318,469	10.6	30,044	
	357 Other Equipment	1,078,883	770,120	308,763	12.5	24,701	
	Total Plant Additions	1,708,512	29,844	1,678,668	27.9	60,167	
	Total Plant Retirements	2,210,724					
	Total	47,785,612				909,830	1.90%
	Grand Total and Composite Depreciation	144,110,154				2,669,838	1.85%

EL PASO NATURAL GAS COMPANY

PRELIMINARY DETERMINATION OF THE DEPRECIATION RATE TRANSMISSION PLANT - ONSHORE

Economic Life -- 30 years

Account No.	Description	Gross Depreciable Plant Investment Feb 29, 2008	Accumulated Reserve for Depreciation Feb 29, 2008	Net Depreciable Plant Feb 29, 2008	Average Remaining Life	Indicated Depreciation Expense	Depreciation Rate
		\$	\$	\$	Years	\$	%
Transmission Plant - Onshore							
365.2	Rights-of-Way	54,477,043	18,894,883	35,582,160	26.9	1,322,757	
366.1	Structures - Compressor Station	43,142,438	14,963,575	28,178,863	13.7	2,056,851	
366.2	Structures - M&R Station	3,243,584	1,125,009	2,118,575	19.6	108,091	
366.3	Structures - Other	7,261,601	2,518,622	4,742,979	13.2	359,317	
367	Mains	1,791,728,773	621,445,354	1,170,283,419	24.5	47,766,670	
368	Compressor Stations	930,826,736	322,849,060	607,977,676	16.5	36,847,132	
369	Meas. & Regulating Sta. Equip.	82,139,595	28,489,396	53,650,199	18.2	2,947,813	
370	Communication Equipment	60,816,474	21,093,659	39,722,815	15.6	2,546,334	
371	Other Equipment	9,305,940	3,227,683	6,078,257	14.5	419,190	
	Subtotal	2,982,942,184	1,034,607,241	1,948,334,943	20.64	94,374,155	
	Additions (net)	246,111,621		246,111,621	29.50	8,342,767	
	Total	3,229,053,805		2,194,446,564		102,716,922	3.18
365.2	Rights-of-Way	54,477,043	20,217,640	34,259,403	26.1	1,312,620.81	
366.1	Structures - Compressor Station	43,142,438	17,020,426	26,122,012	12.9	2,024,962.15	
366.2	Structures - M&R Station	3,243,584	1,233,099	2,010,485	18.8	106,940.68	
366.3	Structures - Other	7,261,601	2,877,939	4,383,662	12.5	350,692.96	
367	Mains	1,791,728,773	669,212,024	1,122,516,749	23.7	47,363,575.89	
368	Compressor Stations	930,826,736	359,696,192	571,130,544	15.7	36,377,741.64	
369	Meas. & Regulating Sta. Equip.	82,139,595	31,437,209	50,702,386	17.4	2,913,930.25	
370	Communication Equipment	60,816,474	23,639,993	37,176,481	14.8	2,511,924.39	
371	Other Equipment	9,305,940	3,646,873	5,659,067	13.7	413,070.55	
	Total Plant Additions	131,402,364		131,402,364	28.7	4,578,480	
	Total Plant Retirements	35,319,064					
	Total	3,032,639,462	1,128,981,396	1,985,363,152		97,953,938.91	3.23%
365.2	Rights-of-Way	54,477,043	21,530,261	32,946,782	25.3	1,302,244.37	
366.1	Structures - Compressor Station	43,142,438	19,045,388	24,097,050	12.1	1,991,491.71	
366.2	Structures - M&R Station	3,243,584	1,340,040	1,903,544	18.0	105,752.45	
366.3	Structures - Other	7,261,601	3,228,632	4,032,969	11.7	344,698.21	
367	Mains	1,791,728,773	716,575,600	1,075,153,173	22.9	46,949,920.20	
368	Compressor Stations	930,826,736	396,073,934	534,752,802	14.9	35,889,449.81	
369	Meas. & Regulating Sta. Equip.	82,139,595	34,351,139	47,788,456	16.6	2,878,822.65	
370	Communication Equipment	60,816,474	26,151,917	34,664,557	14	2,476,039.76	
371	Other Equipment	9,305,940	4,059,944	5,245,996	12.9	406,666.35	
	Total Plant Additions	262,804,728	4,578,480	258,226,248	27.9	9,255,421	
	Total Plant Retirements	70,638,128					
	Total	3,128,722,762	1,226,935,335	2,018,811,577		101,600,506.60	3.25%
Composite Depreciation Rate =							3.21%