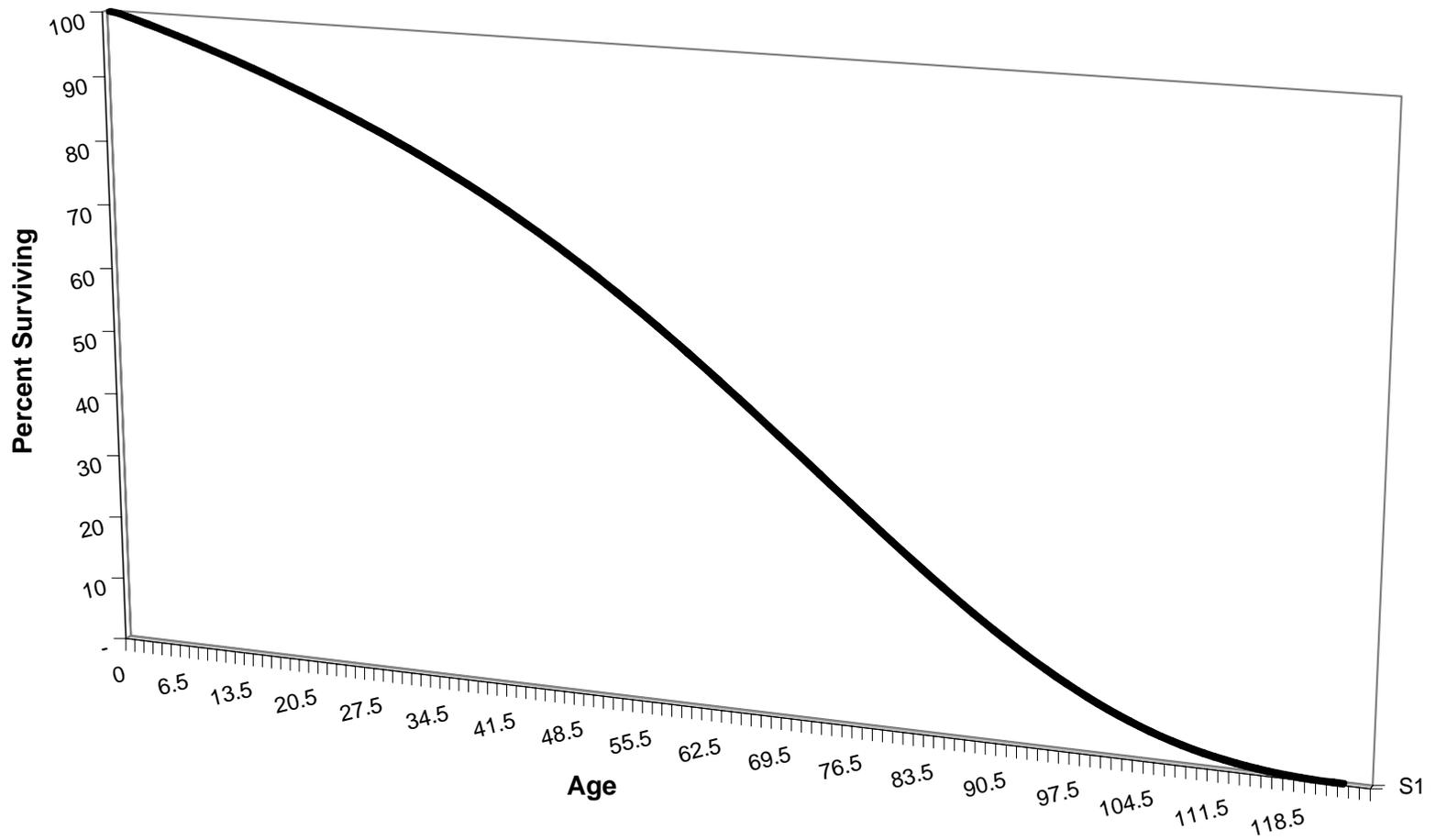


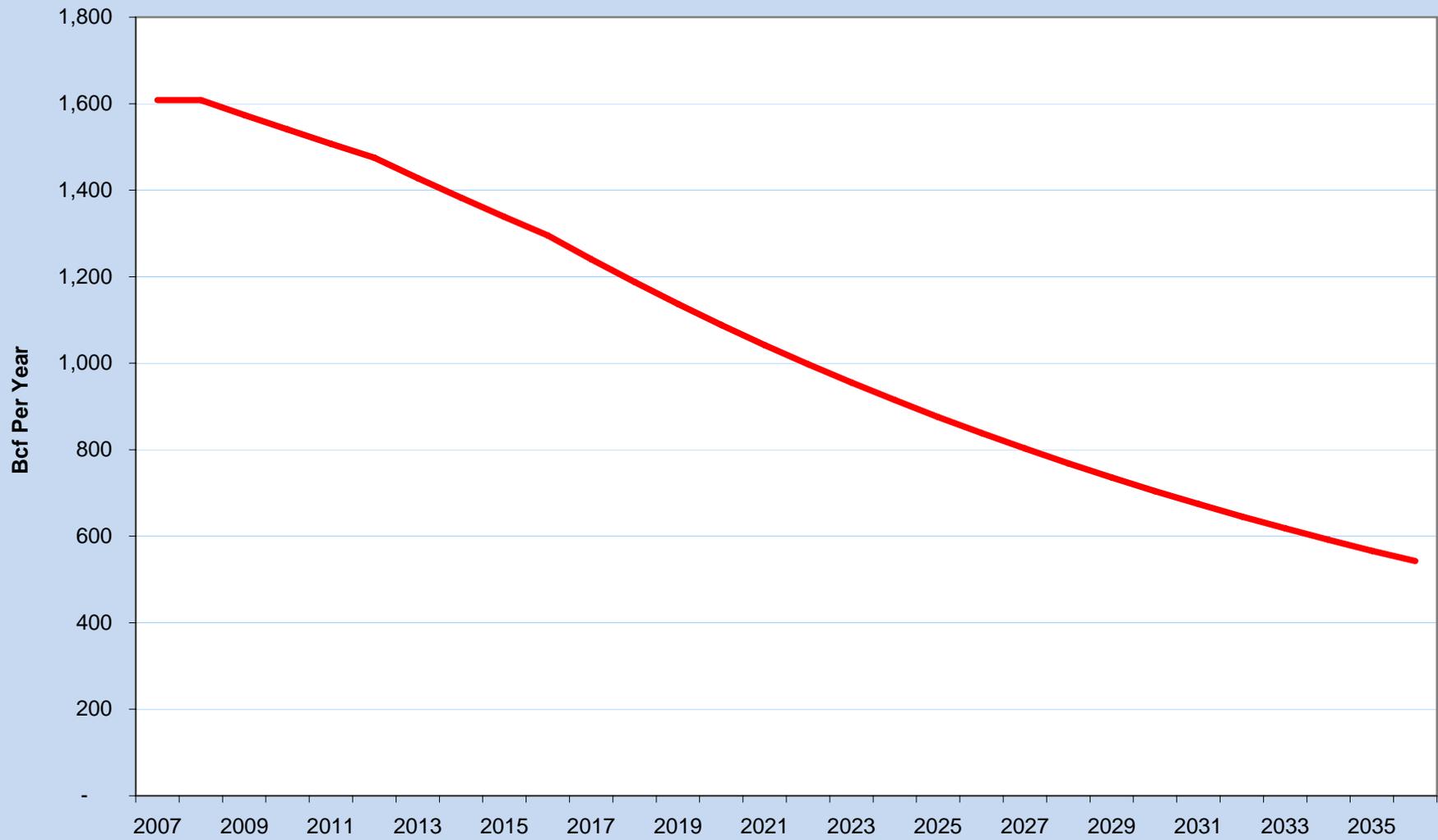
# SURVIVOR CURVE



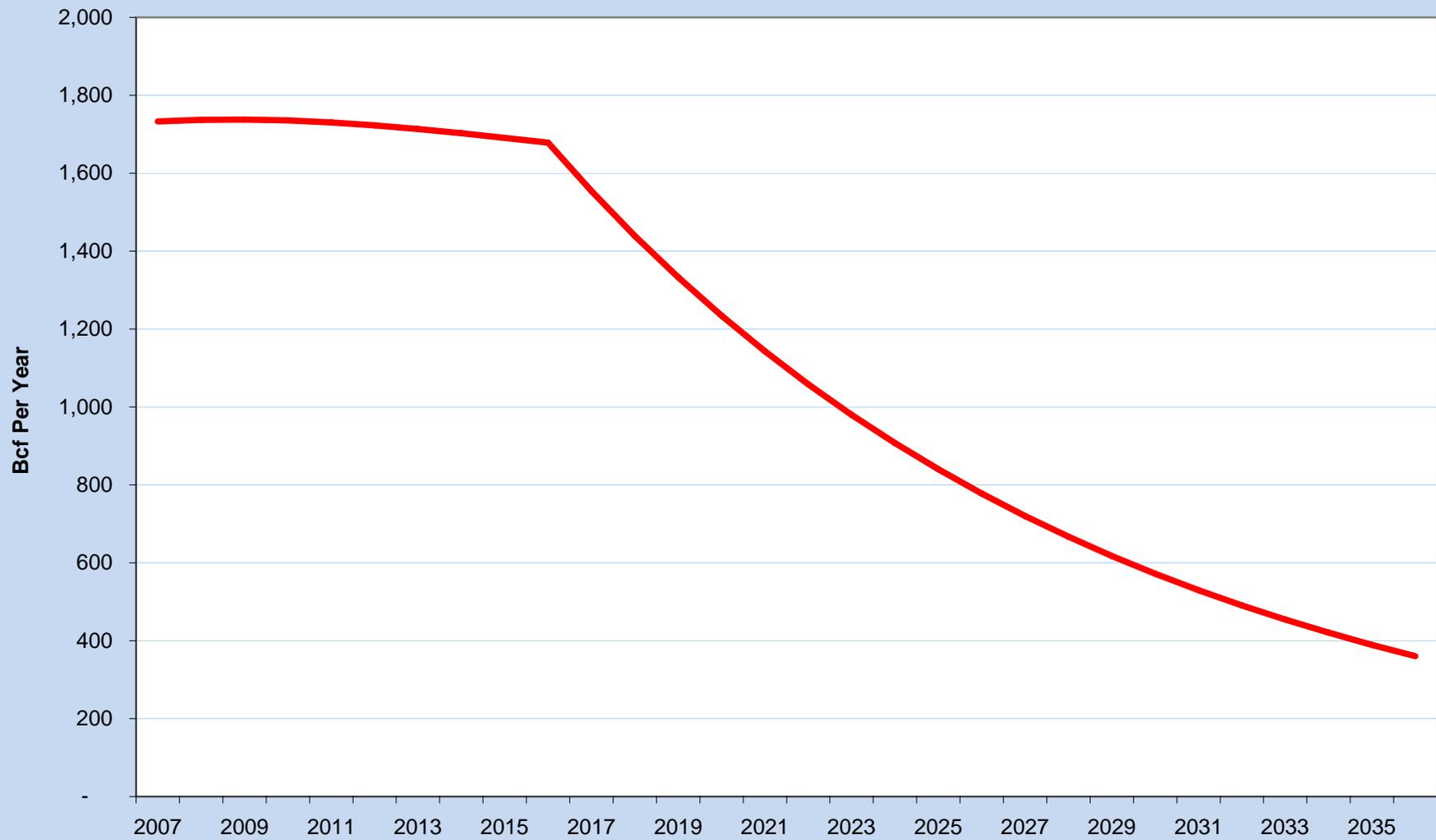
**Availability of Gas Reserves and Resources**  
**Dry Marketable Gas**

<b>Line No.</b>	<b>Year</b>	<b>Permian Basin</b>	<b>San Juan Basin</b>	<b>Anadarko Basin</b>	<b>Rocky Mountain Region</b>
	(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

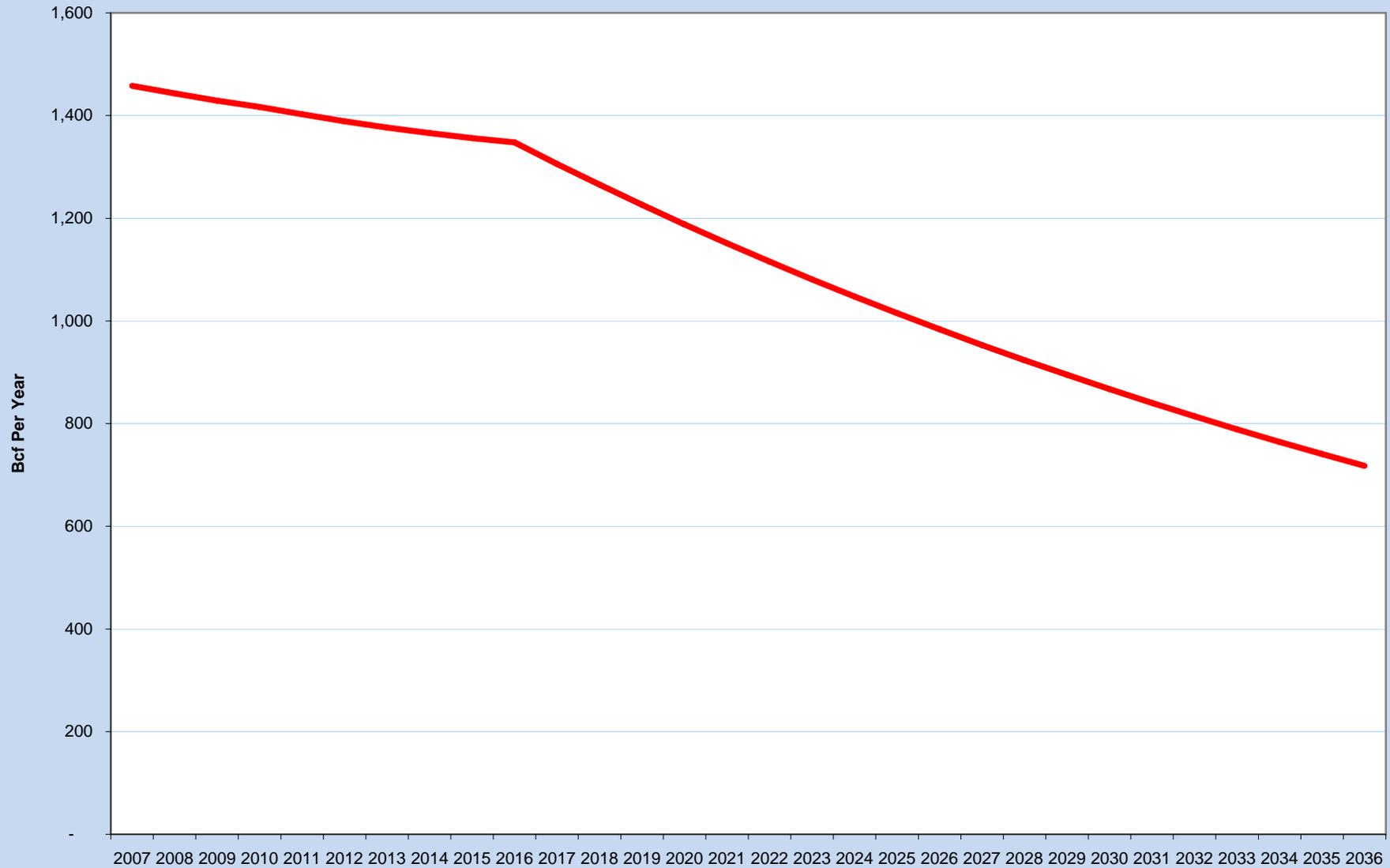
## Gas Availability -- Anadarko Basin



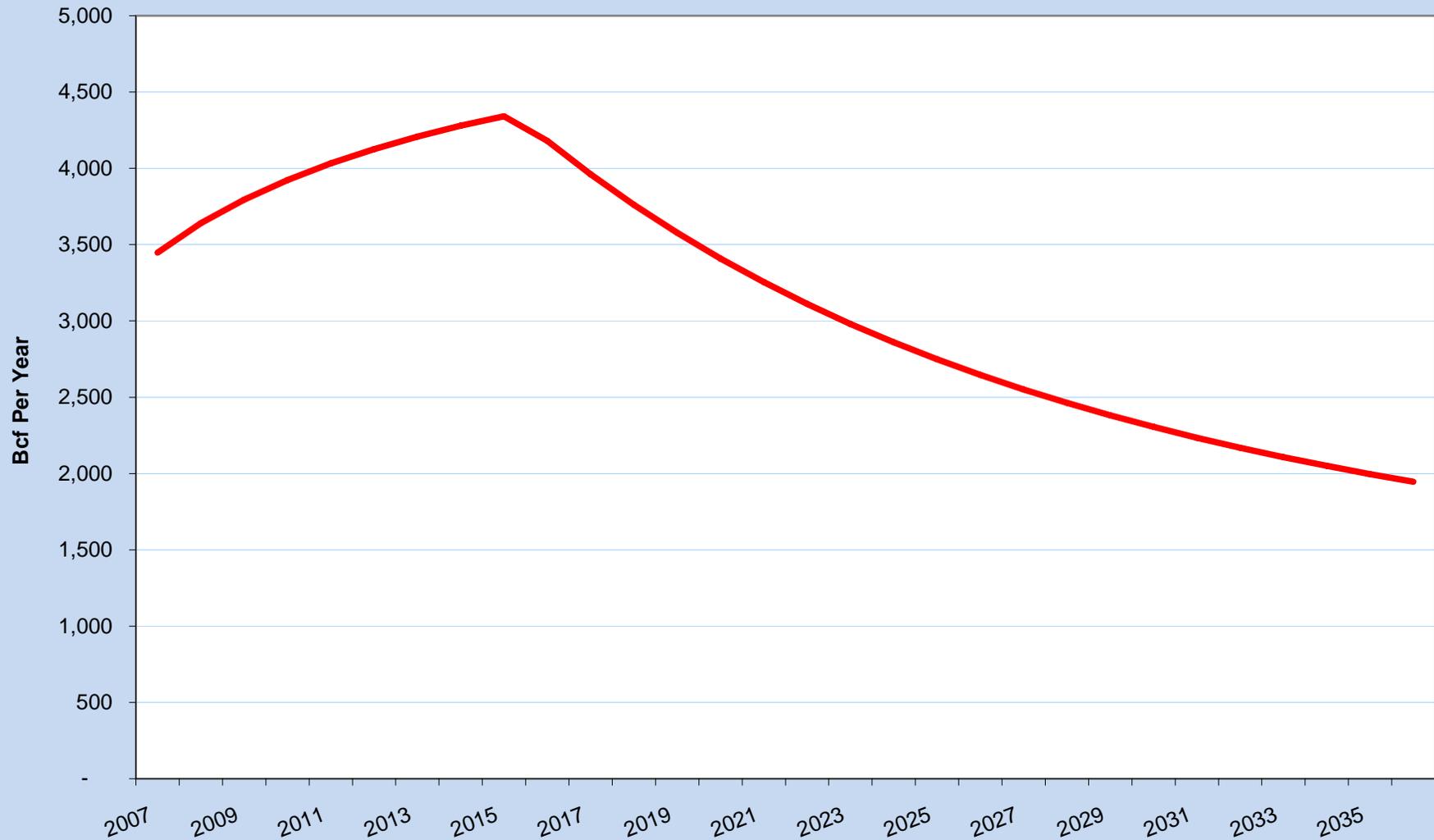
## Gas Availability -- Permian Basin



## Gas Availability -- San Juan Basin



# Gas Availability - Rocky Mountain Area



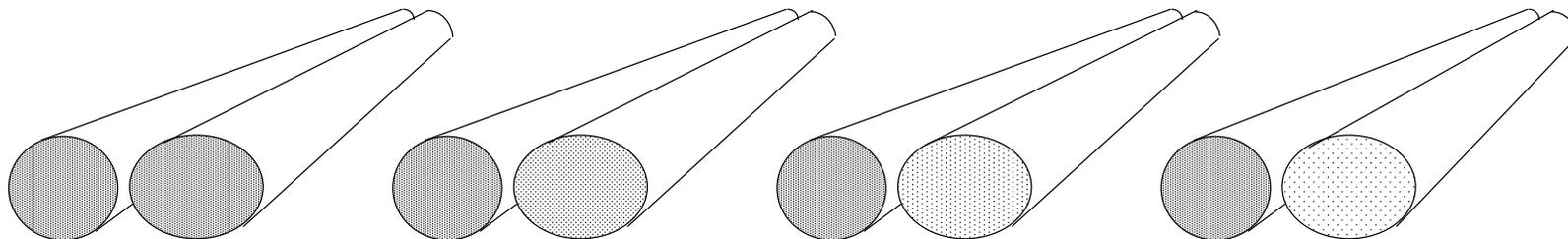
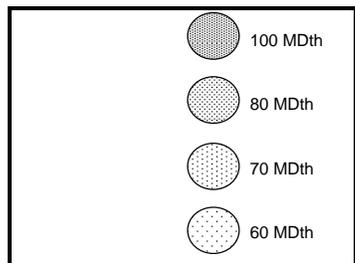








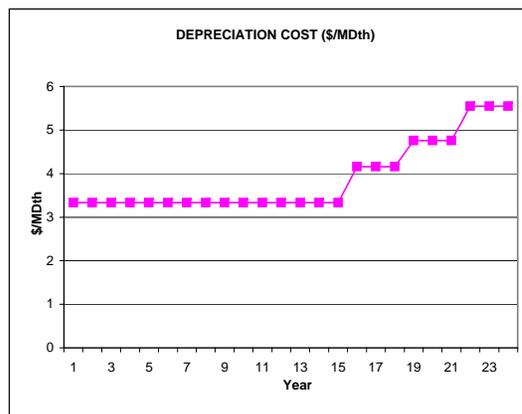
**El Paso Natural Gas Company**  
 ILLUSTRATIVE EXAMPLE OF THE EFFECTS OF UNDERUTILIZATION ON THE ECONOMIC LIFE OF A PIPELINE



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**  
**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 Years	Indicated Depreciation Expense \$	Depreciation Rate %
<b>Transmission Plant - Onshore</b>							
2008	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
2009	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%
2010	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%
<b>Composite Depreciation Rate =</b>							<b>3.21%</b>