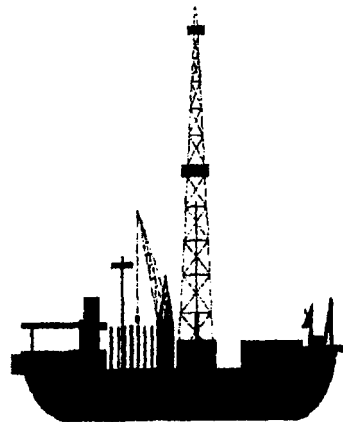


risk assessment & control

RAC

**ENRON NORTH AMERICA
ENRON GLOBAL MARKETS
ENRON INDUSTRIAL MARKETS
PORTFOLIO WATCH LIST
UPDATE AS OF 10/31/2000**



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**GOVERNMENT
EXHIBIT**

24593

Crim No. H 04-0025

**RISK ASSESSMENT & CONTROL
 PORTFOLIO WATCH LIST-UPDATE AS OF 10/31/2000
 VALUES ARE GROSS / NET TO ENRON AS INDICATED**

PLEASE NOTIFY RICK CARSON AT X3-3905
 WITH QUESTIONS OR COMMENTS

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Cost & Carry Values as of 9-30-2000. Market Values from Merchant Portfolio Report Dated 10-31-2000.

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RESTRUCTURED ASSET ACTIVITY

In Progress / Partially Completed *	Restructurings Completed
Brigham Exploration	Carrizo Oil & Gas
C-Gas	Costilla Energy
Crown Energy	Eugene Offshore Holdings, LLC
Enserco Offshore	Forcenergy
Gasco Distribution	Ice Drilling
Hogan Exploration	Inland Resources
Hughes Rawls LLC	Lycos Energy
Industrial Holdings	Repar Resources
Kafus Industries / Canfibre	TriPoint, Inc.
NSM - Thailand *	Qualitech Steel

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RISK ASSESSMENT & CONTROL
PORTFOLIO WATCH LIST-UPDATE AS OF 10/31/2000
VALUES ARE GROSS / NET TO ENRON AS INDICATED

Queen Sand Resources *	
Basic Energy (Sierra Well Service)	
Transcoastal Marine *	

WATCH

Assets displaying early warning signs of potential weakness that deserve close attention.

Bonne Terre Exploration (Limited Liability Company) JEDI II & Balance Sheet (Net #'s)

Two exploration agreements are being finalized to promote in Manti Resources and Tri-C Resources to develop the Cameron Parish project area on what ENA views as favorable terms. In addition, ENA will close on a sale of the Black Bayou Dome Field with RIMCO in late October. A one-time transferable seismic license to the Black Bayou 3D survey has also recently been acquired. Dissolution of the LLC continues to progress and ENA's outside counsel has prepared and distributed the first draft of the Windup Agreement. The insurance company has denied a \$750K oil spill claim related to an incident that occurred in March at the Black Bayou field in Louisiana. Further pursuit and discussion of the claim involving the insurance broker and the underwriters, with an outcome unlikely for at least 2 months. ENA, on behalf of Bonne Terre Exploration Company & Nexus, has negotiated an Extension Agreement (the properties are located on a wildlife refuge and activity is restricted during the Oct-Mar. period) with Tenaco and issued a \$1.25MM Irrevocable Standby Letter of Credit. This enables ENA and its partners to defer the obligatory operation for the year 2000 until 2001. Absent this extension, ENA would likely have lost its rights to develop the diverse set of prospects identified in the Tenaco acreage block. ENA has engaged Resource Solutions, a Geological / Geophysical shop in Denver, to provide technical assistance in prospect generation and marketing in the project area.

City Forest Corporation (Senior / Sub Loans, with IP's) Balance Sheet & BNA CLO Trust #1 (Net #'s)

- The Company recently presented its year 2001 Plan to the ENA Restructuring Group. Full year 2001 EBITDA is forecasted at \$10 MM, with cash flow after debt service projected in the \$2 MM range. Margins are tight however, and running a 5% downside adjustment to commodity prices results in year 2001 EBITDA of zero. The commodity portion cannot be practically hedged due to the high-end, value added color tissue that is produced as well as the specificity of customer requests. Similarly, a production level that would come in at 6 tons / day less than plan (with 142 tons / day expected), would result in year 2001 EBITDA being reduced to zero. Operational / commissioning issues at the plant have been mostly resolved and problems are now confined to the routine variety. Milestones to track production and efficiency gains were included as part of the year 2001 Plan.

~~Line Item #11 - \$29.610 MM~~ Carry Value: \$29.610 MM

(Transfer to ENA CLO #1) \$29.610 MM

- \$1.663 MM of Carry Value is hedged through "Raptor"

Cypress Exploration (Working Interest) Balance Sheet (Net #'s)

- Drilling activity at the Bernard No. 1 well is continuing with \$1.3 MM spent to date and an AFE request of an additional \$250K being circulated this week. The Thornwell property is in the process of being sold for \$28 MM (all cash) to publicly traded Denbury Resources. The sale is expected to be completed by Nov-30-2000, subject to normal closing conditions. Denbury will use its existing credit facility to fund the purchase. An exploration agreement is also being worked on with Rozel Onshore Exploration, which will assist with prospect generation. The exit strategy, post the Thornwell

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