

Case: 7793

New Mexico Oil Conservation Division

Exhibit #1

Calculations for discovery allowable for Northwest Exploration Company, Gavilan #1, A-26-25N-2W

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The top perforation	6821'
Allowance 5 barrels/ft.	<u>x 5</u>
Total discovery allowable	34105 barrels
Daily discovery allowable	34105 barrels - 731 days = 47 BOD

This discovery allowable is retroactive to January 1, 1983

This well was established as the discovery well for the Gavilan Gallup Oil Pool in case #7752, order #R-7185. The nomenclature hearing was held 12/16/82 with the order effective 1/1/83.

