

Date : 08/17/2011 8:41:23AM

ECONOMIC PROJECTION

Project Name : New Mexico
Partner : All Cases
Case Type : LEASE CASE
Archive Set : default

As Of Date : 07/01/2011
Discount Rate (%) : 10.00
Green-Eyed Squealy Worm

Case : Green-Eyed Squealy Worm - 1
Reserve Cat. : Proved Producing
Field : Eidson, North
Operator : DHAOGI
Reservoir : Morrow
Co., State : Lea, NM

Cum Oil (Mbbbl) : 10.97
Cum Gas (MMcf) : 398.64

Year	Gross Oil (Mbbbl)	Gross Gas (MMcf)	Net Oil (Mbbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (M\$)	Gas Revenue (M\$)	Misc. Revenue (M\$)
2011	1.28	44.17	0.96	33.12	90.00	4.00	86.45	132.50	0.00
2012	4.28	147.48	3.21	110.61	90.00	4.00	288.68	442.43	0.00
2013	3.37	116.15	2.53	87.11	90.00	4.00	227.36	348.44	0.00
2014	2.78	96.02	2.09	72.02	90.00	4.00	187.96	288.07	0.00
2015	2.37	81.85	1.78	61.39	90.00	4.00	160.23	245.56	0.00
2016	2.07	71.52	1.56	53.64	90.00	4.00	140.00	214.56	0.00
2017	1.83	63.20	1.37	47.40	90.00	4.00	123.71	189.59	0.00
2018	1.65	56.74	1.23	42.56	90.00	4.00	111.08	170.23	0.00
2019	1.49	51.49	1.12	38.62	90.00	4.00	100.79	154.46	0.00
2020	1.37	47.25	1.03	35.43	90.00	4.00	92.48	141.74	0.00
2021	1.26	43.43	0.94	32.57	90.00	4.00	85.02	130.29	0.00
2022	1.17	40.29	0.88	30.21	90.00	4.00	78.86	120.86	0.00
2023	1.09	37.56	0.82	28.17	90.00	4.00	73.53	112.69	0.00
2024	1.02	35.28	0.77	26.46	90.00	4.00	69.06	105.84	0.00
2025	0.96	33.09	0.72	24.82	90.00	4.00	64.77	99.27	0.00
Rem	9.14	315.16	6.85	236.37	90.00	4.00	616.93	945.48	0.00
Total	37.14	1,280.67	27.85	960.50	90.00	4.00	2,506.92	3,842.02	0.00
Ult	48.11	1,679.31							

Year	Well Count	Net Tax Production (M\$)	Net Tax AdValorem (M\$)	Net Investment (M\$)	Net Lease Costs (M\$)	Net Well Costs (M\$)	Other Costs (M\$)	Net Profits (M\$)	Annual Cash Flow (M\$)	Cum Disc. Cash Flow (M\$)
2011	1.00	16.98	10.95	161.00	0.00	9.00	0.00	0.00	21.02	17.18
2012	1.00	56.70	36.56	0.00	0.00	36.00	0.00	0.00	601.85	565.44
2013	1.00	44.66	28.79	0.00	0.00	36.00	0.00	0.00	466.35	951.45
2014	1.00	36.92	23.80	0.00	0.00	36.00	0.00	0.00	379.31	1,236.80
2015	1.00	31.47	20.29	0.00	0.00	36.00	0.00	0.00	318.03	1,454.28
2016	1.00	27.50	17.73	0.00	0.00	36.00	0.00	0.00	273.33	1,624.16
2017	1.00	24.30	15.67	0.00	0.00	36.00	0.00	0.00	237.34	1,758.24
2018	1.00	21.82	14.07	0.00	0.00	36.00	0.00	0.00	209.42	1,865.78
2019	1.00	19.80	12.76	0.00	0.00	36.00	0.00	0.00	186.69	1,952.94
2020	1.00	18.17	11.71	0.00	0.00	36.00	0.00	0.00	168.35	2,024.38
2021	1.00	16.70	10.77	0.00	0.00	36.00	0.00	0.00	151.85	2,082.95
2022	1.00	15.49	9.99	0.00	0.00	36.00	0.00	0.00	138.24	2,131.43
2023	1.00	14.44	9.31	0.00	0.00	36.00	0.00	0.00	126.47	2,171.75
2024	1.00	13.57	8.75	0.00	0.00	36.00	0.00	0.00	116.60	2,205.54
2025	1.00	12.72	8.20	0.00	0.00	36.00	0.00	0.00	107.12	2,233.75

Rem.	121.17	78.12	0.00	0.00	474.57	0.00	0.00	888.55	138.36
Total	492.40	317.45	161.00	0.00	987.57	0.00	0.00	4,390.52	2,372.11

Major Phase : Gas
Perfs : 0 - 0
Initial Rate : 15,208.33 Mcf/month
Abandonment : 1,520.83 Mcf/month
Initial Decline : 28.00 % year b = 1.000
g Ratio : 0.029
nd Ratio : 0.029

Abandonment Date : 03/09/2039
Working Int : 1.00000000
Revenue Int : 0.75000000
Disc. Initial Invest. (M\$) : 158.42
ROI Investment (disc/undisc) : 15.98 / 28.27
Years to Payout : 0.47
Internal ROR (%) : >1000

Present Worth Profile (M\$)

PW 5.00% : 3,079.27
PW 8.00% : 2,610.39
PW 10.00% : 2,372.11
PW 12.00% : 2,175.67
PW 15.00% : 1,938.36
PW 20.00% : 1,645.76

Input Page

7/1/2011

Lease Name: Green-Eyed Squealy Worm - 1
 Operator : DHAOGI
 Field Name : Eidson, North
 Gas : Proved Producing

Case Type : LEASE CASE
 Reservoir : Morrow
 Co., St. : Lea, NM

Discount Method: M

Annual Compoundings: 1

At AsOf Date

	Gas	Oil
Qi (AsOf) =	15.208 MMcf/month	0.441 Mbbbl/month
Qf (ECL) =	1.521 MMcf/month	0.044 Mbbbl/month
Dec. =	28.000 %	0.000 %
b =	1,000	-
Unit Price =	4.00 /Mcf	90.00 /bbl
Unit Exp. =	0.00	0.00
Hist. Cum	398.639 MMcf	10.971 Mbbbl
Proj. Cum	398.639 MMcf	10.971 Mbbbl
Reserves	1,280.672 MMcf	37.139 Mbbbl
Ult.	1,679.311 MMcf	48.110 Mbbbl

Abandonment Date: 3/9/2039

ID Codes List

Id Label	IdCode
Retrieval Code	
API Number	
PhdWin ID	00001
RRC Dist Code	
Operator Code	
Field Code	
Unique ID	1BF409B576900382104900001

Input Data

Projection Table

* Segment Volumes Adjusted for Historical Data.

Arps

	Start	End	Life Years	Initial Rate	Final Rate	De (%/year)	b	Min. De (%/year)	Segment Volume
Gas	10/1/2011	3/9/2039	27.44	15,208.3	1,520.8 mcf	28.00	1,000	0.00	1,280,672 mcf

Formula

	Formula	Units
Oil	{GAS} X .029	bbl
Oil Cut	((OIL) / ({OIL} + {WATER})) X 100	%
GOR	((GAS) X 1000) / {OIL}	scf/bbl
Yield	{OIL} / {GAS}	bbl/Mcf
Water Cut	((WATER) / ({OIL} + {WATER})) X 100	%

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 Co., St. : Lea, NM

Product Model Table

	Base Units	Base Model [AsOf Price] Escalation Model	Model Adjustments				Base Cost Model [AsOf Cost] Escalation Model
			BTU	Differential %	\$	Shrinkage	
Gas	Mcf	\$4.00 Flat[4] Case Specific	0.00	0.00	0.00	0.00 %	Case Specific[0] Case Specific
Oil	bbl	\$90 Flat[90] Case Specific	0.00	0.00	0.00	0.00	Case Specific[0] Case Specific
Water	bbl	n/a n/a	0.00	0.00	0.00	0.00	Case Specific[0] Case Specific
Condensate	bbl	n/a n/a	0.00	0.00	0.00	0.00	n/a n/a
NGL	gal	n/a n/a	0.00	0.00	0.00	0.00	n/a n/a
Well Cost		n/a n/a	0.00	0.00	0.00	0.00	Case Specific[3000] Non-Escalated
Fixed Cost		n/a n/a	0.00	0.00	0.00	0.00	n/a Non-Escalated

Investment Table

Date	Linking	Gross Investment (M\$)		Net Investment (M\$)		Description	Depreciation Method	Net to Interest	Init. Invest ?
		Tangible	Intangible	Tangible	Intangible				
9/1/2011	*	120.00	* 41.00	120.00	41.00	Workover	N/A	100%	Y
		120.00	41.00	120.00	41.00	* red designates amount entered.			

Ownership Table

Owner	Rev. SR#	ReS Type	Trigger Value	W1 (fract)	NRI (Fract)	Lease NRI	Net Profit Expense	Product Adjusted
"All Cases" Interest Loaded								
	2	Date	1/ 1/2011	1.00000000	0.75000000	0.75000000	0.00	No
	1	Initial	0	0.21242601	0.15880720	0.74758830	0.00	No

Lease Memo Table

Lease Memos