C M MORRIS 100

MONTHLY GAS PRODUCTION ALLOCATION FORMULA

GENERAL EQUATION

Qt = Qftc + Qpc

WHERE: Qt = TOTAL MONTHLY PRODUCTION (MCF/MONTH)

Qftc = FRUITLAND COAL (ftc) MONTHLY PRODUCTION

Qpc = PICTURED CLIFFS (pc) MONTHLY PRODUCTION (MCF/MONTH)

REARRANGING THE EQUATION TO SOLVE FOR Offic:

Qftc = Qt - Qpc

ANY PRODUCTION RATE OVER WHAT IS CALCULATED FOR THE PICTURED CLIFFS (PC) USING THE APPLIED FORMULA IS FRUITLAND COAL (FTC) PRODUCTION.

PICTURED CLIFFS (PC) FORMATION PRODUCTION FORMULA IS:

 $Qpc = Qpci X e^{-(Dpc) X (t)}$

WHERE: Qpci = INITIAL PC MONTHLY FLOW RATE (OBTAINED FROM C M MORRIS #1

PRODUCTION HISTORY)

Dpc = / PICTURED CLIFFS MONTHLY DECLINE RATE CALCULATED FROM:

Dpc = (Qpci-Qpcabd)/Np(pe)

See Determination of Opci and PC Estimated Ultimate Recovery (Np(pc))

A Opei = 1521 MCF/M; Opcabd = 300 MCF/M; Np(pc) = 436.8 MMCF

WHERE: Np(pc) = PICTURED CLIFFS ESTIMATED ULTIMATE RECOVERY (EUR)

Np(pc) = DETERMINED FROM MATERIAL BALANCE CALCULATIONS OBTAINED FROM

THE C M MORRIS #1 (PC) WELLBORE PREVIOUSLY LOCATED IN THE SAME 1/4

SECTION (REMAINING RESERVES # 436.794 MMCF).

By calculating Np(pc) from SIBHP and determining Qpci, Dpc can then be calculated utilizing the previously described parameters. See derivation of Dpc, item (c) on page 4.

THUS: Qftc = Qt - Qpci X $e^{-(Dpc)} X (t)$

WHERE: (t) IS IN MONTHS

REFERENCE: Thompson, R. S., and Wright, J. D., "Oil Property Evaluation", pages 5-2, 5-3, 5-4.