### **ACREAGE FACTOR**

# PROPOSED UNIT ACREAGE STANDARD PRORATION UNIT ACREAGE

297.88 ACRES / 640 ACRES = 0.465

**ACREAGE FACTOR = 46.5%** 

NMOCD CASE NO. BEFORE EXAMINER APRIL 3,1997 EXHIBIT NO. 11723 Stogner

5.

#### **RECOMMENDED PENALTY**

#### **BASIS: VARIANCE FROM STANDARD SETBACK**

**PENALTY = 60%** 

NMOCD CASE NO. BEFORE EXAMINER APRIL 3,1997 EXHIBIT NO. 11723 Stogner

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## PROPOSED ALLOWABLE FACTOR

ACREAGE FACTOR x (1 - PENALTY) = ALLOWABLE FACTOR

$$0.465 \times (1 - 0.6) = 0.186$$

**ALLOWABLE FACTOR =18.6%** 

NMOCD CASE NO. 11723
BEFORE EXAMINER Stogner
APRIL 3,1997
EXHIBIT NO. 5c