

**MANZANO OIL CORPORATION**

**APPLESEED FEDERAL #1  
Section 17, T20S, R35E  
Lea County, New Mexico**

**Updated 11/1/98**

**A. Data:**

Completion Interval: Bone Spring Carbonate 10,448-466'  
Current Production: 50 BOPD + 11 BSWPD  
Sweet Crude Oil: 33° API Gravity  
Bottom Hole Pressure: 4600 psi  
Bottom Hole Temperature: 155° F  
Formation Volume Factor: 1.3562  
Gas - Oil Ratio: 700 cu.ft. per bbl  
Net Pay: 22'  
Porosity: 8%  
Water Saturation: 35%  
Type of Drive: Solution Gas Drive

**B. Percent Recovery vs Areal Drainage:**

<u>Areal Drainage</u> <u>Acres</u>	<u>Original Oil</u> <u>In Place, Bbls</u>	<u>Recovered by</u> <u>Decline, Bbls</u>	<u>% Recovery</u> <u>Primary</u>
40	261,770	125,841	48.07
80	523,541	125,841	24.09

**C. Scharb Bone Spring - Sections 5-8, T19S, R35E:**

Spacing: 80 acres  
Primary Recovery: 13,700,000 bbls from 44 wells  
311,400 bbls/well  
Average Gross Pay: 50'  
Average Recovery per well  
based on 22' net pay: (311,400 bbls/well) (22'/50') - 137,000 bbls/well

**BEFORE THE  
OIL CONSERVATION COMMISSION**  
Santa Fe, New Mexico

Case No. 12003 (De Novo) Exhibit No. 7

Submitted by: Manzano Oil Corporation

Hearing Date: November 16, 1998