ECONOMIC FOR VARIOUS SPACING SCHEMES
E. Saunders Permo-Penn Pool
Lea County, New Mexico

Case No. 2678
Exhibit No. 10
10/28/64

BASIC DATA:

1.	Oil Value	$3.01/bbl.
2.	Oil Purchaser	Indiana Oil Purchasing Company
3.	Gas Value	$0.10/Mcf
4.	Gas Purchaser	Warren Petroleum Corporation
5.	Net Interest	87.5%
6.	Production Taxes	6.2% of net revenue
7.	Lifting Costs	$0.10/bbl.
8.	Investment (Well lease facilities and Pumping unit)	$195,200

ECONOMICS:

	Item	WELL SPACING		
		40 Acre	80 Acre	160 Acre
1.	Recoverable oil, bbl.	88,400	176,900	353,800
2.	Recoverable gas, Mcf	155,500	311,000	622,000
3.	Oil Revenue, $3.01 X (1)	266,100	532,500	1,064,900
4.	Gas Revenue, $0.10 X (2)	15,600	31,100	62,200
5.	Total Revenue, $ (3) + (4)	281,700	563,600	1,127,100
6.	Total Net Revenue after Royalty, $0.875 X (5)	246,500	493,200	986,200
7.	Operating Costs, $.10 X (1)	8,800	17,700	35,400
8.	Production Taxes, $.062 X (6)	15,300	30,600	61,100
9.	Net Income, $ (6)-(7)-(8)	222,400	444,900	889,700
10.	Investment, $	195,200	195,200	195,200
11.	Profit, $ (9)-(10)	27,200	249,700	694,500
12.	Profit-to-Investment Ratio (11) ÷ (10)	0.14:1	1.28:1	3.56:1

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