

AVERAGE RESERVOIR PROPERTIES
SUPERIOR STATE NO. 1 WELL
PENNZOIL UNITED, INC.
ROOSEVELT COUNTY, NEW MEXICO

Depth	4230 feet
Net Pay	32 feet
Porosity	6 %
Permeability, effective (Average)	10 md.
Connate Water	30 %
Bottom Hole Pressure	1277 psig
Bottom Hole Temperature	108° F
Separator Gas Gravity	0.76
Formation Volume Factor	100.6 SCF/CF
Condensate Content	0.20 B/MMCF
Condensate Gravity	36° API

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 2
CASE NO. 4526

B. C. Sinclair
April 26, 1971

21-10-1971
ESTIMATED ECONOMICS FOR
SUPERIOR STATE NO. 1 WELL
PENNZOIL UNITED, INC.
ROOSEVELT COUNTY, NEW MEXICO

<u>Revenue</u>	<u>160-Acre Spacing</u>	<u>320-Acre Spacing</u>
160 acre - 1,700 MM @ .1034	\$ 175,780	
320-acre - 1,500 MM @ .1034		\$ 155,100
Less Royalty @ 18.75%	32,960	29,080
Less Severance Tax @ 6%	<u>8,570</u>	<u>7,560</u>
Total Revenue	\$ 134,250	\$ 118,460
<u>Expense</u>		
Drilling, Completing, Equipping	\$ 124,000	\$ 62,000
Operating Costs		
160 acre - 4 years @ \$3,600	\$ 28,800	
320 acre - 5 years @ \$3,600		<u>18,000</u>
Total Expense	\$ 152,800	\$ 80,000
Net Profit	\$ (18,550)	\$ 38,460
Profit:Investment Ratio	-	0.62
Rate of Return, Average	-	12.4 %

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