TYPICAL VERTICAL WELL

Horseshoe Gallup Pool Allowables

Top Gas Allowable (40 acres):

A_g = 2000 SCF/STB0

Top Oil Allowable (40 acres):

A_o = 80 BOPD

HORIZONTAL WELL

Horseshoe Gallup Extension

$1 \times A_g$ = Standard Pool Allowable for Gas

A_g = 2000 SCF/STB0

and

$8 \times A_o$ = Eight times the Pool Allowable for Oil

= 640 BOPD