

Survey Results — 1986

Region: Colorado Plateau, Basin and Range-3

Oil Wells

Responses 1986	1985	Depth in Feet			Monthly Drilling Well Rates 1986			Monthly Producing Well Rates 1986			Monthly Drilling Well Rates 1985			Monthly Producing Well Rates 1985		
		Over	Not Over	But	Average or Mean	Median	1986	Average or Mean	Median	1986	Average or Mean	Median	1985	Average or Mean	Median	1985
17	22	0-	5,000		\$ 3,324	\$ 3,500	\$ 3,425	\$ 3,530	\$ 336	\$ 300	\$ 396	\$ 336	\$ 300	\$ 396	\$ 449	
20	22	5,000-	10,000		4,138	4,325	3,861	4,000	446	450	444	446	450	444	450	
11	17	10,000-	15,000		4,707	4,705	4,799	4,950	505	495	575	505	495	575	585	
6	12	15,000-	20,000		5,137	4,500	6,371	6,300	622	575	712	622	575	712	717	
4	8	20,000			5,444	4,392	6,602	6,308	694	697	746	694	697	746	717	
11	13	No Depth Limit			5,015	4,392	4,263	4,111	539	590	456	539	590	456	419	

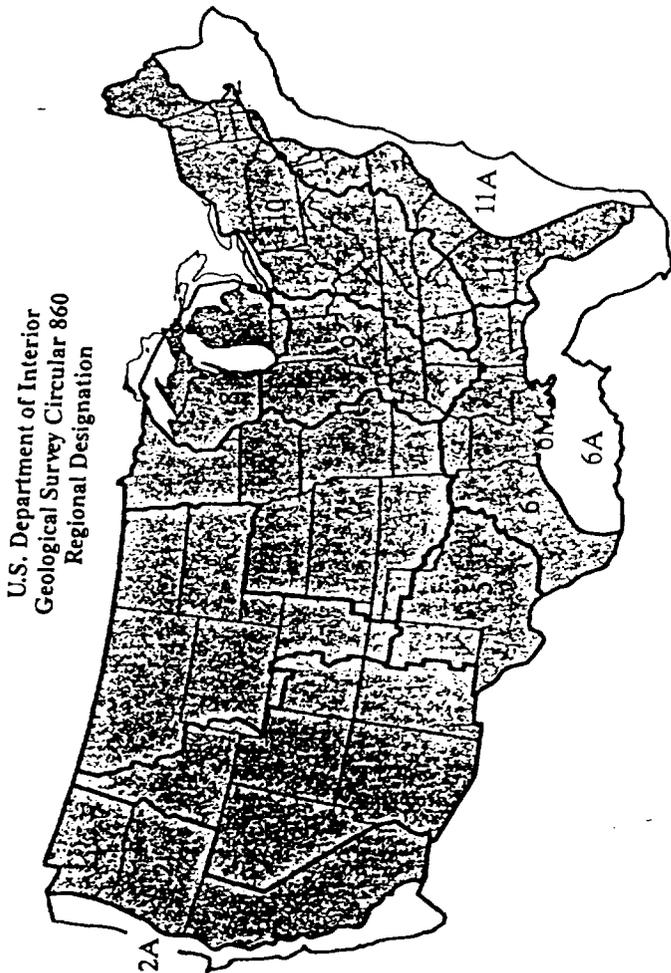
Gas Wells

Responses 1986	1985	Depth in Feet			Monthly Drilling Well Rates 1986			Monthly Producing Well Rates 1986			Monthly Drilling Well Rates 1985			Monthly Producing Well Rates 1985		
		Over	Not Over	But	Average or Mean	Median	1986	Average or Mean	Median	1986	Average or Mean	Median	1985	Average or Mean	Median	1985
19	19	0-	5,000		\$ 3,288	\$ 3,204	\$ 3,258	\$ 3,500	\$ 344	\$ 350	\$ 388	\$ 344	\$ 350	\$ 388	\$ 418	
20	18	5,000-	10,000		3,895	4,325	3,736	4,000	413	400	428	413	400	428	430	
11	14	10,000-	15,000		4,688	4,500	4,586	4,950	494	450	567	494	450	567	585	
6	10	15,000-	20,000		5,137	4,500	6,298	6,300	622	575	718	622	575	718	710	
4	7	20,000			5,444	4,392	6,520	6,308	694	697	750	694	697	750	755	
9	13	No Depth Limit			5,121	4,392	4,263	4,111	554	590	456	554	590	456	419	

NMOCD CASE NO. 9252
 November 4, 1987
 Dugan Production Corp.
 Exhibit No. 6

Prepared in cooperation with:

- California Independent Producers Association
- Independent Petroleum Association of New Mexico
- Louisiana Association of Independent Producers & Royalty Owners
- Michigan Oil & Gas Association
- North Texas Oil & Gas Association
- Ohio Oil & Gas Association
- Oklahoma Independent Petroleum Association
- Panhandle Producers & Royalty Owners Association
- Pennsylvania Oil & Gas Association
- Permian Basin Petroleum Association
- Tennessee Oil & Gas Association
- Texas Independent Producers & Royalty Owners Association
- West Central Texas Oil & Gas Association



To Oil and Gas Producers

We are pleased to provide you with the results of our fifth annual survey of combined fixed-rate overhead charges.

The survey results are based on about 750 replies to a questionnaire distributed to oil and gas producers in cooperation with thirteen industry organizations. The questionnaire was structured to obtain information for drilling and operating rates and for varying well depths in 16 U.S. geographic regions. It was distributed in June 1986 to members of the participating organizations, so the information should generally reflect operating agreements in effect at that time.

We had an eight percent response rate, and most responses were complete and usable in the tabulation. Results were compiled on the basis of regions according to Geological Survey Circular 860, U.S. Department of the Interior, depicted on pages 34-35.

The tables on pages 2 through 33 show the average monthly overhead charges and the median monthly charges (the point above and below which there was an equal number of reported values), together with a comparison with 1985 averages.

While we have solicited and compiled the survey results included in this booklet, we have not verified the responses and, therefore, make no representation as to their accuracy. If you would like additional copies, please contact Kenneth M. Burke, National Director of Energy Industry Services, Ernst & Whinney, 333 Clay, Suite 3100, Houston, TX 77002, 713/751-1200 or Roy E. Crocker, Senior Consultant, Ernst & Whinney, P.O. Box 1836, Roswell, N.M. 88201, 505/622-8500.

Ernst & Whinney