

# VARIANCE FROM STANDARD SETBACK

NORTH-SOUTH VARIANCE  
----- = VARIANCE FACTOR  
NORTH-SOUTH STANDARD

$$\frac{(1650-660)}{1650} = 0.60$$

**VARIANCE FACTOR = 60%**

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

Case Nos. 11723 (De Novo); 11755 (De Novo)  
and 11868 (Consolidated) Exhibit No. 5

Submitted by: Texaco Exploration and Production Inc.

Hearing Date: October 30, 1997

## **ACREAGE FACTOR**

**PROPOSED UNIT ACREAGE**

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**STANDARD PRORATION UNIT ACREAGE**

$$297.88 \text{ ACRES} / 640 \text{ ACRES} = 0.465$$

$$\text{ACREAGE FACTOR} = 46.5\%$$

## **PROPOSED ALLOWABLE FACTOR**

**ACREAGE FACTOR x (1 - VARIANCE FACTOR) = ALLOWABLE FACTOR**

$$**0.465 x (1 - 0.6) = 0.186**$$

**ALLOWABLE FACTOR = 18.6%**