



**Economic Justification Worksheet
DaVinci 7-18 Federal Com**

Commingling proposal for leases: NMNM100332 , NMNM092167, NMNM111530, NMNM093471, & NMNM094842

COM Agreement Info: W2 Wolfcamp: NMNM137591 Bone Spring: New COM required

E2 Wolfcamp: New COM required

Federal Lease:		NMNM100332, NMNM092167 & NMNM111530 - NEW COM REQUIRED								
Well Name		BOPD	Gravity	Bbl price	Value	MCPD	Dry BTU	MCF price	value	
DaVinci 7 Federal 29H	Wolfcamp	1400	49.0	\$ 54.61	\$ 76,452.60	10000	1.241	\$ 1.50	\$ 15,000.00	FORECAST
DaVinci 7-18 Federal Com 30H	Bone Spring	1800	46.1	\$ 54.61	\$ 98,296.20	2000	1.241	\$ 1.50	\$ 3,000.00	FORECAST
Total		3200	47.381875	\$ 54.61	\$ 174,748.80	12000	1.309	\$ 1.50	\$ 18,000.00	WTL
COM Agreement:		NMNM137591								
Well Name		BOPD	Gravity	Bbl Price	Value	MCPD	Dry BTU	MCF price	Value	
Da Vinci 7-18 Federal Com 6H	Wolfcamp	130	48.9	\$ 54.61	\$ 7,099.17	987	1.241	\$ 1.50	\$ 1,480.50	WTL
Da Vinci 7-18 Fedreal Com 9H	Wolfcamp	150	48.9	\$ 54.61	\$ 8,191.35	5961	1.241	\$ 1.50	\$ 8,941.50	WTL
Total		280	48.9	\$ 54.61	\$ 15,290.52	6948	1.241	1.500	\$ 10,422.00	
Grand total:		3480	47.504023	\$ 54.61	\$ 190,039.32	18948	1.275	\$ 1.50	\$ 28,422.00	

Combined Production:		BOPD	Weighted Avg	Bbl Price	Value	MCFPD	Dry BTU	MCF price	Value
ALL WELLS in SECTION		3480	47.504023	\$ 54.61	\$ 190,039.32	18948	1.273	\$ 1.50	\$ 28,422.00

ROYALTY IMPACT	\$	-	\$	-	No Change
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Weighted Average Info:	BOPD	Gravity		Weighted Avg
U WCMP Existing (Da Vinci 6H)	130	48.9	6357	
L WCMP Existing (Da Vinci 9H)	150	48.9	7335	
Harkey NOT EXISTING (30H)	1800	46.1	82980	
L WCMP NOT EXISTING (29H)	1400	49.03	68642	
	3480		165314	47.504023

*If anything, comingling GUARANTEES a better price on our L WCMP Da Vinci 29H well. It is close to the WTC price, which would be another deduct based on market pricing (typically ~\$1.00)

Notes:

Plains Contract has language for WTI being 44 API and lower, WTL being 44.01-49.99 API and WTC being 50-55 API this is mixed for ALL of White City

WTL Pricing during last notice (July)

54.609 See Da Vinci 6H-9H