

POTENTIAL MINIMUM MORROW GAS RESERVES
DEVELOPMENT BY DIRECTIONAL DRILLING
UNDER R-111 A-O POTASH AREA

BEFORE THE
CONSERVATION COMMISSION
Santa Fe, New Mexico
Case No. 8287 Exhibit No. 4
Submitted by Bass
Hearing Date 8/24/84

AVERAGE GAS RESERVES PER MORROW COMPLETION
(Bass Statistical Study of Eddy County Gas
Reserves)

1,600,000 MCF

ESTIMATED MINIMUM LOCATIONS FOR DEVELOPMENT
OF MORROW GAS RESERVES UNDER POTASH AREA BY
DIRECTIONALLY DRILLED WELLS FROM OUTSIDE THE
R-111 AREA

15 24 total
wells to develop
15 comm. wells

ESTIMATED MINIMUM MORROW GAS RESERVES TO BE
DEVELOPED (15 X 1,600,000 MCF/Well)

24,000,000 MCF

VALUE OF GAS RESERVE DEVELOPED
BASED on 102 Gas Ceiling Price of \$3.50/MCF)

\$84,000,000