Big Bear ATN #2 -- Drainage Area

1. Original Oil in Place (stock-tank barrels) is given by the equation

OOIP = 7758*A*h* phi*So/Boi

where h*phi*So is the hydrocarbon pore volume.

2. The log calculations for hydrocarbon pore volume yield h*phi*So = 0.6781.

3. Boi = 1.28 from the Standing Correlations where the parameters are as follows:

Solution GOR	-	500
Temperature	==	179 degrees F
Gas Gravity	÷	0.72
Tank Oil Gravity	=	42 degrees API

4. Ultimate Primary Recovery (Np) = Recovery Factor*OOIP

where Recovery Factor (**Rf**) = 0.25 from 1957 paper entitled "Estimation of Ultimate Recovery from Solution Gas-Drive Reservoirs" by

Wahl, Mullins and Elfrink of Magnolia Petroleum.

5. Then, Np = $Rf^{*7758}A^{*h*phi*So/Boi}$

and, by rearranging, A = Np*Boi/(Rf*7758*h*phi*So) in acres

A = 96527*1.28/(0.25*7758*0.6781) in acres

A = 93.9 acres is the Drainage Area in the Atoka

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No. <u>12681</u> Exhibit No. 8 Submitted by: <u>YATES PETROLEUM CORPORATION</u> Hearing Date: January 8, 2004