

COMPARISON OF DEPTH FACTORS AND VARIATION IN PAYOUT TIME

Depth Range	Present Adaptation Factor	Commission-Proposed Plan All Wells Pay Out in 1.406 Years		Shell Interpretation All Wells Pay Out in 1.406 Years	
		Average Cost	Factor*	Average Cost	Factor*
0 - 1000	1.00	No Cost	—	3200	0.07
1 - 2000	1.00	Curve in	—	12400	0.26
2 - 3000	1.00	0-3000' Range	—	24800	0.51
3 - 4000	1.00	39500	0.82	39600	0.82
4 - 5000	1.00	61000	1.27	56000	1.16
5 - 6000	1.33	81700	1.66	73500	1.52
6 - 7000	1.77	104400	2.15	92300	1.91
7 - 8000	2.33	126000	2.59	111700	2.33
8 - 9000	3.00	148000	3.07	135600	2.81
9 - 10000	3.77	169700	3.51	161900	3.35
10 - 11000	4.67	194000	4.02	192600	3.99
11 - 12000	5.67	230800	4.76	228800	4.74
12 - 13000	6.75	280300	5.81	271600	5.62
13 - 14000	8.00	345000	7.17	322400	6.67

* These Factors Assume A Basic Unit of 40 Barrels of Oil Daily

** Minimum Allowable of 10 Barrels of Oil Daily for 0-2000 Foot Range