

Public Exhibit #2

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Gas Allocation

Blanco Mesa Verde:

August 1962 pool allocation was	7,221,214 MCF
1898 wells at 3,000 MCF/No.	<u>5,694,000</u>
Amount left to be allocated	1,527,214
MCF/well to be allocated	806
Formula: 79% acreage, 21% deliverability	

Aztec Pictured Cliff

August 1962 pool allocation	975,101
365 wells at 2,000 MCF	<u>730,000</u>
Amount left to be allocated	245,101
MCF/well to be allocated	672
Formula: 75% acreage, 25% deliverability	

Ballard Pictured Cliff

August 1962 pool allocation	923,590
421 wells at 2,000 MCF	<u>842,000</u>
Amount left to be allocated	81,590
MCF/well to be allocated	194
Formula: 91% acreage, 9% deliverability	

Fulcher-Kutz Pictured Cliff

August 1962 pool allocation	426,030
310 wells at 2,000 MCF	<u>620,000</u>
No gas available for deliverability allocation	
Formula: 100% acreage	

Basin Dakota

August 1962 pool allocation	5,025,292
672 wells at 3,000 MCF	<u>2,016,000</u>
Amount left to be allocated	3,009,292
MCF/well to be allocated	4,470
Formula: 40% acreage 60% deliverability	

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Public EXHIBIT No. 2
CASE 2503

South Blanco Pictured Cliff
August 1962 pool allocation 2,742,186
969 wells at 2,000 MCF 1,938,000
Amount left to be allocated 804,186
MCF/well to be allocated 830
Formula: 71% acreage, 29% deliverability

Tapicoto Pictured Cliff Pool
August 1962 pool allocation 267,351
113 wells at 2,000 MCF 226,000
Amount left to be allocated 41,351
MCF/well to be allocated 365
Formula: 85% acreage, 15% deliverability

West Kutz Pictured Cliff Pool
August 1962 pool allocation 304,128
200 wells at 2,000 MCF 400,000
No gas left to be allocated
Formula: 100% acreage

Exhibit No. 3

Minimum Sales Required for Continued Operation
of Mesaverde and Pictured Cliff Formation Gas Wells,
San Juan Basin, New Mexico

	<u>Mesaverde</u>	<u>Pictured Cliff</u>
Total Monthly Sale	<u>490 MCF</u>	<u>325 MCF</u>
@ \$.13 Bw, \$.1175 Kpc	\$64	\$39
Distillate @ 5% of Gas Value	<u>3</u>	<u>0</u>
Total Value	\$67	\$39
Less Base Royalty	(8)	(5)
Less Production Taxes	(4)	(2)
Less Operating Costs*	(51)	(30)
	\$ 4	\$ 2

* Operating Costs Include:

	<u>Mesaverde</u>	<u>Pictured Cliff</u>
1. Maintenance	12%	1%
2. Operation	74%	91%
3. Ad Valorem Taxes on Well Equipment	11%	7%
4. Miscellaneous	3%	1%

FDG:jrt
8-14-62

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