

**COMPARISON OF FIXED DEPLETION RATE  
AND ALTERNATE ALLOWABLE FORMULAS  
EL PASO NATURAL GAS COMPANY**

CASE 2504

EXHIBIT NO. 2

| No. of Wells | Reserve MCF | Deliverability | 1                        | 75% A X D - 25% Acreage             | 40% A X D - 60% Acreage                                            |                                     |                                                                    |
|--------------|-------------|----------------|--------------------------|-------------------------------------|--------------------------------------------------------------------|-------------------------------------|--------------------------------------------------------------------|
|              |             |                | Fixed Depletion Rate MCF | 2<br>Projected Yearly Allowable MCF | 2<br>Projected Yearly Allowable Percent of Minimum Yearly Quantity | 2<br>Projected Yearly Allowable MCF | 2<br>Projected Yearly Allowable Percent of Minimum Yearly Quantity |
| 12           | 825,000     | 397            | 30,113                   | 49,402                              | 164                                                                | 76,377                              | 253                                                                |
| 83           | 1,544,000   | 613            | 56,356                   | 61,698                              | 110                                                                | 82,935                              | 147                                                                |
| 150          | 2,497,000   | 1,330          | 91,141                   | 102,515                             | 112                                                                | 104,704                             | 115                                                                |
| 100          | 3,461,000   | 1,441          | 126,327                  | 108,834                             | 86                                                                 | 108,074                             | 86                                                                 |
| 65           | 4,474,000   | 1,718          | 163,301                  | 124,602                             | 76                                                                 | 116,484                             | 71                                                                 |
| 28           | 5,474,000   | 1,673          | 199,801                  | 122,041                             | 61                                                                 | 115,118                             | 58                                                                 |
| 19           | 6,959,000   | 1,677          | 254,004                  | 122,268                             | 48                                                                 | 115,239                             | 45                                                                 |

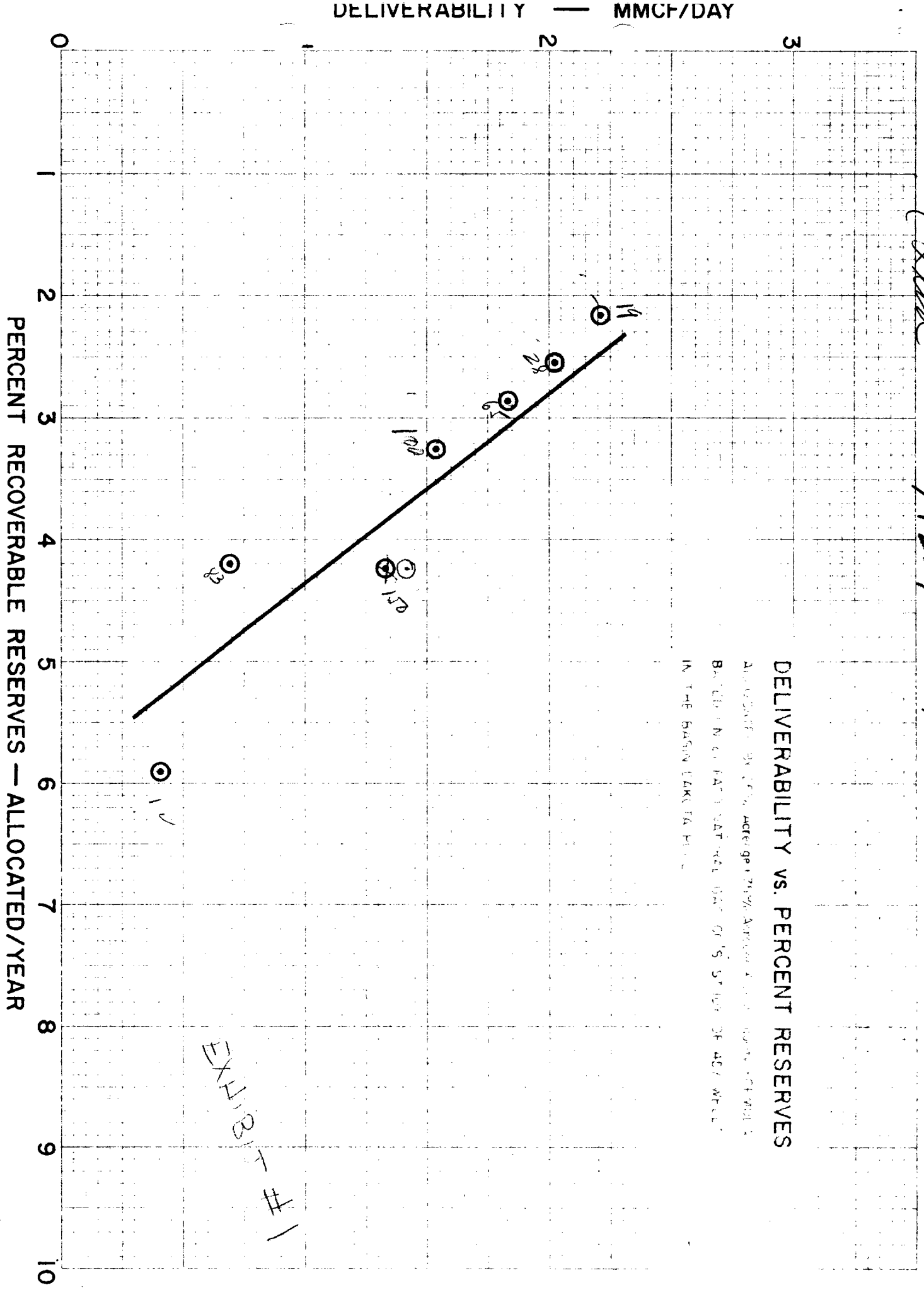
1 Depletion based on 1 million cubic feet per day for each 10 billion cubic feet of reserve.  
Projected yearly allowables based on following assumptions:

- a. Total Basin Dakota allowable of 60 billion cubic feet per year
- b. Total participating number of wells - 600
- c. Total participating acreage factors N M - 559.67
- d. Total participating A x D factors N M - 790,487

4/16/62

*Other AZTEC #1*

DELIVERABILITY VS. PERCENT RESERVES  
 AVERAGE OF 17% AVERAGE OF 17% AVERAGE OF 17%  
 BASED ON FACTORIAL ANALYSIS OF 15 STUDY OF AZTEC  
 IN THE BASIN LAKOTA HILL



*EXHIBIT #1*