

BEFORE EXAMINER STODNER
 OIL CONCESSIONS DIVISION
 EXHIBIT NO. 13
 CASE NO. 8678

ECONOMICS

CAUDILL FIELD
10,900 Foot WOLFCAMP WELL

No. 1 SCOTT

Completed Well Cost	\$700,000
Cumulative Oil Production to 06/01/85	121,999
Gross Barrels of Oil to Payout	34,000
Profit Barrels	87,999
Net Barrels to W.I. (.8125)	77,499
Value @ \$25.34 per Barrel Net	\$1,811,789
Value of Gas to W.I. less Operations	\$ 167,911
Total W.I. Profit	\$1,979,700
Payout	4.6 months

R.O.I. 2.8 to 1

No. 1 GILLIAM

Completed Well Cost	\$700,000
Cumulative Oil Production to 06/01/85	54,975
Gross Barrels of Oil to Payout	34,000
Profit Barrels	20,975
Net Barrels to W.I. (.8125)	17,042
Value @ \$25.34 per Barrel Net	\$431,849
Value of Gas to W.I. less Operations	\$ 90,909
Total W.I. Profit	\$522,758
Payout	4.2 months

R.O.I. 0.75 to 1

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Assumptions:

Net Revenue Interest to W.I.	81.25%
Gross Oil Price per Barrel	\$27.54
Production Tax Rate - Oil	8%
Gross Gas Price per M.C.F.	\$ 3.06
Production Tax Rate - Gas	11%
Operating Costs per Month	\$1,500

William G. McCoy
 Date: August 13, 1985