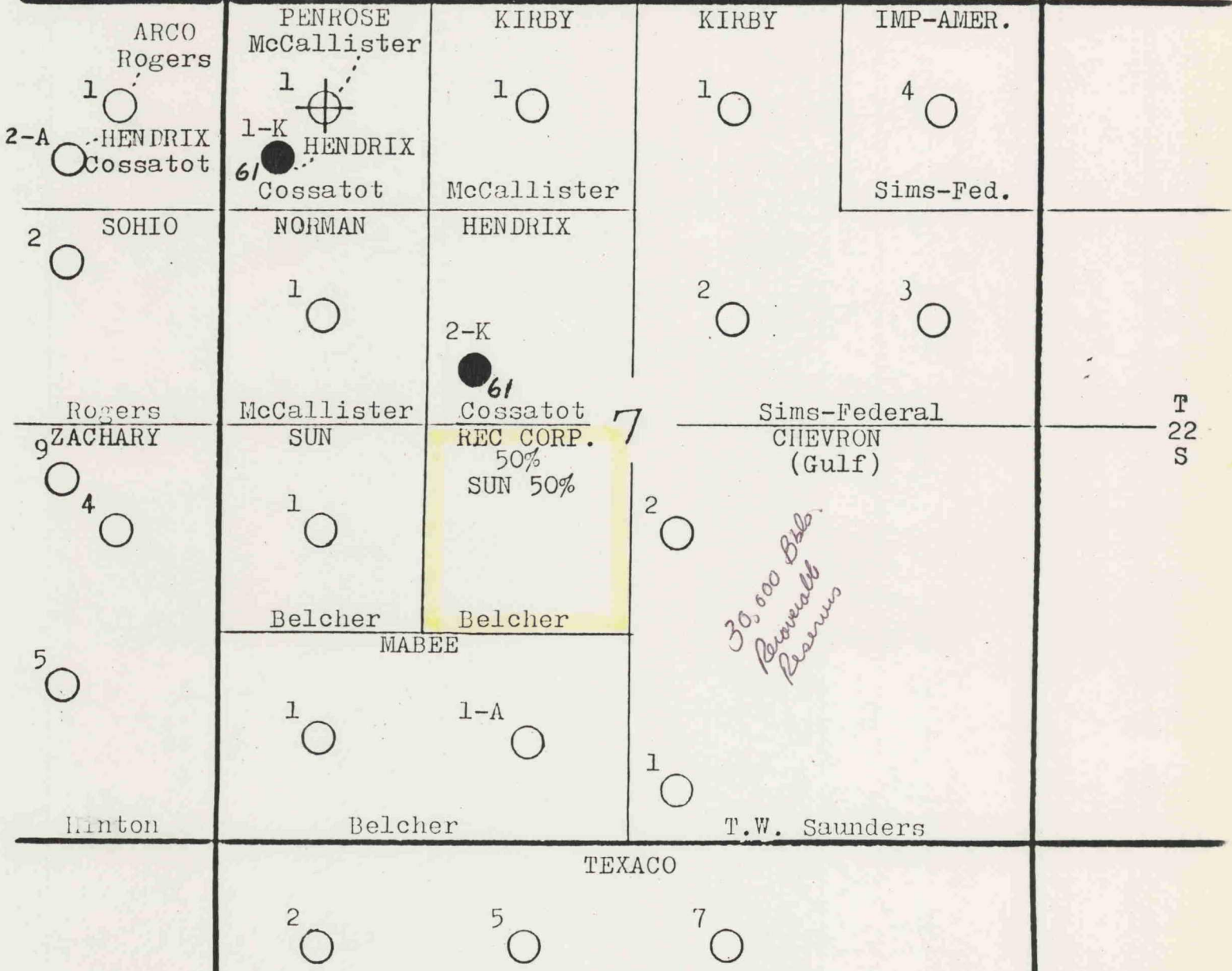


R37E

R38E



C.H. Lockhart Federal NCT-1

BEFORE EXAMINER STOGNER
 OIL CONSERVATION DIVISION
Chandler EXHIBIT NO. 9
 CASE NO. 8686

● Producing Well
 61-K Cum. MBO - 5/1/85

WANTZ GRANITE WASH
 1" = 1,000'

RESERVES AND ECONOMICS

CHANDLER & SAVAGE, PETROLEUM CONSULTANTS

AS OF JANUARY 1, 1986

END- MO-YR	---GROSS PRODUCTION---		---NET PRODUCTION---		---PRICES---		-----OPERATIONS, M\$-----			CAPITAL COSTS, M\$	CASH FLOW BTAX, M\$	12.00 PCT CUM. DISC BTAX, M\$
	OIL, MMBL	GAS, MMCF	OIL, MMBL	GAS, MMCF	OIL \$/B	GAS \$/M	NET OPER REVENUES	SEV+ADV+ WF TAXES	NET OPER EXPENSES			
12-86	8.400	33.600	3.413	13.650	27.50	2.00	121.158	10.935	9.000	253.000	-151.677	-157.208
12-87	10.200	40.800	4.144	16.575	27.50	2.00	147.110	13.157	9.000	35.000	89.953	-82.982
12-88	8.040	32.160	3.266	13.065	27.50	2.00	115.945	10.369	9.000	0.000	96.576	-10.195
12-89	6.552	26.208	2.662	10.647	27.50	2.00	94.499	8.452	9.000	0.000	77.047	41.652
12-90	5.412	21.648	2.199	8.795	27.50	2.00	78.063	6.982	9.000	0.000	62.081	78.952
12-91	8.172	32.688	3.320	13.280	27.50	2.00	117.860	10.541	9.000	35.000	63.319	111.836
12-92	7.140	35.700	2.901	14.503	27.50	2.00	108.784	9.729	9.000	0.000	90.055	154.970
12-93	6.012	30.060	2.442	12.212	27.50	2.00	91.579	8.190	9.000	0.000	74.389	186.783
12-94	5.304	26.520	2.155	10.774	27.50	2.00	80.811	7.228	9.000	0.000	64.583	211.443
12-95	11.928	59.640	4.846	24.229	27.50	2.00	181.723	16.252	9.000	35.000	121.471	252.167
12-96	7.236	36.180	2.940	14.698	27.50	2.00	110.246	9.860	9.000	0.000	91.386	279.985
12-97	4.608	23.040	1.872	9.360	27.50	2.00	70.200	6.278	9.000	0.000	54.922	294.912
12-98	3.828	23.465	1.555	9.533	27.50	2.00	61.829	5.530	9.000	0.000	47.299	306.390
12-99	2.688	17.260	1.092	7.012	27.50	2.00	44.054	3.941	9.000	0.000	31.113	313.131
12-00	2.372	15.956	0.964	6.482	27.50	2.00	39.474	3.530	9.000	0.000	26.944	318.343
12-01	2.124	14.967	0.863	6.080	27.50	2.00	35.893	3.210	9.000	0.000	23.683	322.434
12-02	1.920	14.173	0.780	5.758	27.50	2.00	32.966	2.949	9.000	0.000	21.017	325.675
12-03	1.740	13.455	0.707	5.466	27.50	2.00	30.375	2.717	9.000	0.000	18.658	328.244
12-04	0.780	6.319	0.317	2.567	27.50	2.00	13.852	1.239	9.000	0.000	3.613	328.688
12-05	0.744	6.313	0.302	2.565	27.50	2.00	13.435	1.201	9.000	0.000	3.234	329.043
3-01	105.200	510.152	42.740	207.251	27.50	2.00	1589.856	142.190	180.000	358.000	909.666	329.043
AFTER	4.524	43.834	1.839	17.807	27.50	2.00	86.188	7.707	63.000	0.000	15.481	330.189
TOTAL	109.724	553.986	44.579	225.058	27.50	2.00	1676.044	149.897	243.000	358.000	925.147	330.189
CUM.	0.000	0.000					NET OIL REVENUES (M\$)	1225.928	-----PRESENT WORTH PROFILE-----			
ULT.	109.724	553.986					NET GAS REVENUES (M\$)	450.116	DISC	PW OF NET	DISC	PW OF NET
							TOTAL REVENUES (M\$)	1676.044	RATE	BTAX, M\$	RATE	BTAX, M\$
BTAX RATE OF RETURN (PCT)		40.51	PROJECT LIFE (YEARS)				27.000	0.0	925.147	30.0	64.096	
BTAX PAYOUT YEARS		3.46	DISCOUNT RATE (PCT)				12.000	2.0	768.806	35.0	29.379	
BTAX PAYOUT YEARS (DISC)		3.82	GROSS OIL WELLS				1.000	5.0	589.875	40.0	2.214	
BTAX NET INCOME/INVEST		3.58	GROSS GAS WELLS				0.000	8.0	457.841	45.0	-19.561	
BTAX NET INCOME/INVEST (DISC)		2.04	GROSS WELLS				1.000	10.0	388.393	50.0	-37.371	
								12.0	330.189	60.0	-64.749	
INITIAL W.I. FRACTION	0.500000		INITIAL NET OIL FRACTION	0.406250				15.0	259.170	70.0	-84.812	
FINAL W.I. FRACTION	0.500000		FINAL NET OIL FRACTION	0.406250				18.0	202.923	80.0	-100.164	
PRODUCTION START DATE	1-1-86		INITIAL NET GAS FRACTION	0.406250				20.0	171.694	90.0	-112.316	
MONTHS IN FIRST LINE	12.00		FINAL NET GAS FRACTION	0.406250				25.0	109.721	100.0	-122.195	

MAXIMUM CASE

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION

Chandler EXHIBIT NO. 10

CASE NO. 8686

MAXIMUM PAYOUT TIMES AND MINIMUM PERCENT PROFIT ON INVESTMENT
FOR CLOSE-IN AND IN-FIELD WELLS

<u>INDEPENDENT OPERATOR-ADDRESS</u>	<u>REPRESENTATIVE</u>	<u>MAXIMUM PAYOUT TIME</u>	<u>MINIMUM PROFIT APO PERCENT OF INVESTMENT</u>
ALPHA 21 CORPORATION 2100 First National Bldg. Midland, Texas	Tracey Clark- Chief Geologist	30 Months	200%
J.F. HERBIG Suite 135, One Marienfield Place Midland, Texas	J.F. Herbig- Owner	36 Months	200%
MABEE PETROLEUM CORP. 901 Petroleum Bldg. Midland, Texas	Mark Madenka- Engineering Manager	40 Months	200%
NEWHALL RESOURCES Suite 800 Western United Life Bldg. Midland, Texas	Earl Gaertner- Division Geologist	36 Months	250%

**BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION**

Chandler EXHIBIT NO. 11

CASE NO. 8686