

PENALTY CALCULATION*

Actual distance to end boundary = 660'
Legal distance to end boundary = 1980'

Actual distance is 67% closer to the end boundary
than permitted by NMOCD rules and regulations.

Therefore:

PRODUCTION LIMITATION FACTOR = 33%.

Exhibit No. 8
EXXON Corporation
NMOCD Case 9500
Hearing Date: October 12, 1988

*from NMOCC Order R-8508, 9/9/87

EXPECTED INITIAL PRODUCTION

Well Name	Completion Date	CAOF (MCFGPD)	Initial Production Date	Actual Deliverability (MCFGPD)
Southland Royalty E. Millman "12" St. Com.#1	12-19-28 8/85	3464	1/86	22,200 716
Southland Royalty E. Millman "13" St. Com.#1	1/85	4319	1/86	685
Mitchell Energy Conoco "7" St. #1	5/80	7575	10/80	2416
Mitchell Energy Conoco "7" St. #10	1/82	1135	4/82	1094
Hondo Drilling Co. Union TX St. Com.#1	10/74	2786	10/75	1931
Southland Royalty Parkway "17" St. #1	10/84	1160	1/86	877
Mitchell Energy Flag "TD" St. Com.#1	11/83	1189	1/85	1505
Entex Petroleum Parkway West Unit #5	3/78	2827	5/78	708
Entex Petroleum Parkway West Unit #2	12/74	1801	7/75	1460
Entex Petroleum Parkway West Unit #3	2/82	3998	6/82	528
Average		3025		1192

10 More
wells per
well.

1192
3025 = 3840

Exhibit No. 109
 EXXON Corporation
 NMOC Case 9500
 Hearing Date: October 12, 1988