

MW Petroleum  
Request for Amended Acreage Factor  
Smith Federal Gas Com #2

MW Petroleum requests that the acreage factor be amended to 0.61. This number is calculated by the average of three different techniques as follows:

(1) Productive Acreage Method

Amount of acreage updip of -3600' subsea in Section 12 T-22-S R-23-E:

= 500 acres or 78% of the section (500 acres over 640 acres)

(2) Two Circle Method

The % difference in acreage lying outside the 640-acre unit for a 500-acre circle with its center at the proposed location and the same size circle with its center at the nearest regular location:

=  $(212/500) - (95/500)$

= 0.42 - 0.19

= 0.23 or 77% of the proposed drainage pattern is within the correlative rights of the gas unit.

(3) Distance Ratio Method

The percentage distance from the lease line for the proposed unorthodox location compared to a regular location:

=  $480'/1650'$

= 0.29 or 29% of the distance

The average of the three factors is 0.61.

NMOCD Hearing of December 5, 1991

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|---------------------------|----------------------|
| BEFORE EXAMINER CATANACH  |                      |
| OIL CONSERVATION DIVISION |                      |
| MWD/APACHE                | EXHIBIT NO. <u>6</u> |
| CASE NO.                  | <u>10412</u>         |