Table I Eunice Monument South Unit

Total Unit - - 12.000 MM \$42,102 M \$42,102 M Myer "B-8" 8 Conoco .09059 2.313 MM .19275 \$ 8,115 M \$3,814 M R. R. Bell NCT-B 17 Gulf .03726 .835 MM .06958 \$ 2,929 M \$1,569 M State "K" 27 Arco .02680 .600 MM .05000 \$ 2,105 M \$1,128 M Fopeano Federal 12 Exxon .00151 0.000 MM .05000 \$ 9,055 M \$2,152 M A. J. Adkins 37 Exxon .01962 .0930 MM .00775 \$ 326 M \$ 826 M A. J. Adkins (3) Brady .00211 .0540 MM .00450 \$ 326 M \$ 392 M J. D. Knox 90 Exxon .00211 .0540 MM .00450 \$ 400 M \$ 675 M 10 Primary Reserve Fraction (without unitization) x Total Unit NPV from Exhibition \$ 675 M	Tract	New Tract No	New Tract No. Operator	Unit Partici- pation	Rem.Primary 12-1-84 (bbls)	Fraction of Total	Primary (1) Reserve Value (NPV at 15%)	Primary Reserve Value Under Unit Formula (4)	Secondary (2) Reserve Value (NPV at 15%)	Sec/Primary NPV Ratio (5)
"B-8"		I	ı	I					\$183,971 M	4.369
Bell NCT-B 17 Gulf .03726 .835 MM .06958 \$ 2,929 M \$1,5 MM "E" 27 Arco .02680 .600 MM .05000 \$ 2,105 M \$1,1 MM "K" 53 Shell .05112 2.581 MM .21508 \$ 9,055 M \$2,1 M o Federal 12 Exxon .00151 0.000 MM .00000 \$ 9,055 M \$2,1 M State 37 Exxon .01962 .0930 MM .00775 \$ 326 M \$ 8 Adkins 88 Exxon .00931 .0006 MM .00005 \$ 2 M \$ 3 Aknox 90 Brady .00211 .0540 MM .00450 \$ 189 M \$ 6 Knox 90 Exxon .01604 .1140 MM .00950 \$ 400 M \$ 6 (1) Primary Reserve Fraction (without unitization) x Total Unit NPV from Exhibit No. 26 (Incremental CD) \$ 6 \$ 100 M \$ 6 (2) Tract Participation x Total Unit NPV from Exhibit No. 26 (Incremental CD) \$ 100 M \$ 100 M <t< td=""><td></td><td>∞</td><td>Conoco</td><td>.09059</td><td></td><td>.19275</td><td>8,115</td><td>\$3,814 M</td><td>\$ 16,665 м</td><td>2.053</td></t<>		∞	Conoco	.09059		.19275	8,115	\$3,814 M	\$ 16,665 м	2.053
"E" 27 Arco .02680 .600 MM .05000 \$ 2,105 M \$1,1 "K"" 53 Shell .05112 2.581 MM .21508 \$ 9,055 M \$2,1 o Federal 12 Exxon .00151 0.000 MM .00000 \$ 9,055 M \$2,1 state 37 Exxon .01962 .0930 MM .00775 \$ 326 M \$ 8 Adkins (3) 89 Brady .00211 .0540 MM .0005 \$ 189 M \$ 3 Knox 90 Exxon .01604 .1140 MM .00950 \$ 400 M \$ 6 (1) Primary Reserve Fraction (without unitization) x Total Unit NPV from Exhibit No. 26 (Incremental Contents) \$ 600 MM \$ 8 Knox (1) Primary Reserve Fraction (without unitization) x Total Unit NPV from Exhibit No. 26 (Incremental Contents) \$ 600 MM \$ 600 MM <td>R. Bell</td> <td>17</td> <td>Gulf</td> <td>.03726</td> <td>835</td> <td>.06958</td> <td>2,929</td> <td>\$1,569 M</td> <td>\$ 6,885 M</td> <td>2.340</td>	R. Bell	17	Gulf	.03726	835	.06958	2,929	\$1,569 M	\$ 6,885 M	2.340
"K" 53 Shell .05112 2.581 MM .21508 \$ 9,055 M \$2,1 o Federal 12 Exxon .00151 0.000 MMV .00000 \$ 0 M \$ State 37 Exxon .01962 .0930 MMV .00775 \$ 326 M \$ 8 Adkins (3) 89 Brady .00211 .0540 MM .00450 \$ 189 M \$ 3 Knox 90 Exxon .01604 .1140 MM .00950 \$ 400 M \$ 6 (1) Primary Reserve Fraction (without unitization) x Total Unit NPV from \$ 6 (2) Tract Participation x Total Unit NPV from Exhibit No. 26 (Incremental Section of the section	= 円	27	Arco	.02680		.05000	2,105	\$1,128 M	\$ 4,930 M	2.342
O Federal 12 Exxon .00151 0.000 MMV .00000 \$ 0 M \$ State 37 Exxon .01962 .0930 MMV .00775 \$ 326 M \$ 8 Adkins (3) 89 Brady .00211 .0540 MM .00450 \$ 189 M \$ 3 Knox 90 Exxon .01604 .1140 MM .00950 \$ 400 M \$ 6 (1) Primary Reserve Fraction (without unitization) x Total Unit NPV from \$ 6 10 Incremental (3) Exxon has 50% WI in this Tract \$ 0.000 MMV .000005 \$ 0 M \$ 326 M \$ 8		<u></u> ნ	Shell	.05112		.21508	9,055	_	\$ 9,404 M	1.038
State 37 Exxon .01962 .0930 MMV .00775 \$ 326 M \$ 8 Adkins 88 Exxon .00931 .0006 MMV .00005 \$ 2 M \$ 3 Adkins (3) 89 Brady .00211 .0540 MM .00450 \$ 189 M \$ 3 Knox 90 Exxon .01604 .1140 MM .00950 \$ 400 M \$ 6 (1) Primary Reserve Fraction (without unitization) x Total Unit NPV from Exhibit No. 26 (incremental Contents) 20 10		12	Exxon	.00151			0		\$ 277 M	infinite
J. Adkins 88 Exxon .00931 .0006 MM .00005 \$ 2 M \$ 3 J. Adkins (3) 89 Brady .00211 .0540 MM .00450 \$ 189 M \$ D. Knox 90 Exxon .01604 .1140 MM .00950 \$ 400 M \$ 6 (1) Primary Reserve Fraction (without unitization) x Total Unit NPV from Exhibit No. 26 (Incremental Call Call Call Call Call Call Call C		37	Exxon	.01962		.00775	326		\$ 3,609 M	11.07
J. Adkins (3) 89 Brady .00211 .0540 MM .00450 \$ 189 M \$ D. Knox 90 Exxon .01604 .1140 MM .00950 \$ 400 M \$ 6 (1) Primary Reserve Fraction (without unitization) x Total Unit NPV from Exhibit No. 26 (Incremental Mark Control of the	ч •	88 88	Exxon	.00931	MM	.00005	2		\$ 1,712 MV	856.00
D. Knox 90 Exxon .01604 .1140 MM / .00950 \$ 400 M \$ 6 (1) Primary Reserve Fraction (without unitization) x Total Unit NPV from (2) Tract Participation x Total Unit NPV from Exhibit No. 26 (Incremental Section 2) Exxon has 50% WI in this Tract	J. Adkins	89	Brady	.00211		.00450	189		\$ 388 M	2.05
Primary Reserve Fraction (without unitization) x Total Unit NPV from Tract Participation x Total Unit NPV from Exhibit No. 26 (incremental Exxon has 50% WI in this Tract	D.	90	Exxon	.01604	1140	.00950	400		\$ 2,950 MV	7.37
Tract Participation x Total Unit NPV from Exhibit No. 26 (Incremental Exxon has 50% WI in this Tract					un.		Uni t	from Exhibit	No. 26 (Base Case)	se)
Exxon has 50% WI in this				×		rom Exhibit		mental Case)		タイプ を
			has	in	Tract		*** ***	· • .	()	XXXX 0) 10

Exx + 10 5 / 73 % remaining primary 1 receive 4.6%

(5) Ratio between Primary Reserve (1) column and Secondary Reserve (2) column (957)

(4) Tract participation x Total Unit NPV from Exhibit No. 26 (Incremental Case)

728- 7276

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

February 4, 1987

GARREY CARRUTHERS

P.O. BOX 1980 HOBBS, NEW MEXICO 88240 (505) 393-6161

Case 8398

Texas Crude, Inc. 2100 Texas Crude Building 801 Travis Houston, Texas 77002

Re: Kincheloe "2" State #1 in Section 2, T21S, R36E, Lea County, New Mexico

Gentlemen:

According to the provisions of Division Order R-7766, it is required that either a cement bond log to show proper coverage, or recementing of the above referenced well be done.

We granted an extension which will expire on February 18, 1987, for this work to be completed.

You have the option of exercising one of the above procedures, or you may ask for a hearing to set aside these requirements.

We request that you advise me of your plans by February 18, 1987.

If you choose to run the cement bond log, or recement the well, we request 24 hours prior notice in order to witness the operation.

Very truly yours

OIL, CONSERVATION DIVISION

Jerry Sexton

Supervisor, District I

JS:bp

cc: William J. LeMay, OCD Director

File