280 Acre proration unit

Date : 09/18/2013 9:29:41AM

ECONOMIC PROJECTION

As Of Date : 10/01/2013
Discount Rate (%) : 15.00
NEW WELL GUNNER 8 FED 8H

NW NW Sec 5 delivering a 75% NRI lease.

Oil Conservation Division
Case No. 15035
Exhibit No. 3

Project Name : Gunner Lease
Partner : All Cases
Case Type : LEASE CASE
Archive Set : default

Cum Oil (Mbbl) : 0.00
Cum Gas (MMcf) : 0.00

Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price ($/bbl)	Gas Price ($/Mcf)	Oil Revenue (M$)	Gas Revenue (M$)	Misc. Revenue (M$)
2013	14.59	46.38	0.52	1.66	90.56	5.03	47.16	8.33	0.00
2014	70.86	353.84	2.53	12.63	91.75	5.10	232.11	64.47	0.00
2015	32.99	213.18	1.18	7.61	94.68	5.26	111.52	40.04	0.00
2016	23.07	158.66	0.82	5.66	97.56	5.42	80.34	30.70	0.00
2017	18.05	127.82	0.64	4.56	100.51	5.58	64.75	25.48	0.00
2018	15.02	108.24	0.54	3.86	103.53	5.75	55.52	22.23	0.00
2019	12.96	94.43	0.46	3.37	106.64	5.92	49.33	19.97	0.00
2020	11.48	84.32	0.41	3.01	109.85	6.10	45.01	18.37	0.00
2021	10.29	76.03	0.37	2.71	113.15	6.29	41.55	17.06	0.00
2022	9.37	69.56	0.33	2.48	116.55	6.47	38.98	16.08	0.00
2023	8.62	64.23	0.31	2.29	119.58	6.67	36.79	15.29	0.00
2024	8.01	59.92	0.29	2.14	120.00	6.87	34.34	14.69	0.00
2025	7.46	55.94	0.27	2.00	120.00	7.00	31.97	13.97	0.00
2026	7.01	52.64	0.25	1.88	120.00	7.00	30.02	13.15	0.00
2027	6.61	49.76	0.24	1.78	120.00	7.00	28.33	12.43	0.00
Rem	105.31	892.72	3.76	31.87	120.00	7.00	451.16	223.09	0.00
Total	**361.69**	**2,507.67**	**12.91**	**89.52**	**106.79**	**6.20**	**1,378.85**	**555.38**	**0.00**
Ult	**361.69**	**2,507.67**							

Year	Well Count	Net Tax Production (M$)	Net Tax AdValorem (M$)	Net Investment (M$)	Net Lease Costs (M$)	Net Well Costs (M$)	Other Costs (M$)	Net Profits (M$)	Annual Cash Flow (M$)	Cum Disc. Cash Flow (M$)
2013	1.00	4.61	0.00	0.00	0.00	0.00	0.00	0.00	50.88	49.40
2014	1.00	24.62	0.00	0.00	0.00	0.00	0.00	0.00	271.96	297.43
2015	1.00	12.58	0.00	0.00	0.00	0.00	0.00	0.00	138.98	406.81
2016	1.00	9.22	0.00	0.00	0.00	0.00	0.00	0.00	101.83	476.37
2017	1.00	7.49	0.00	0.00	0.00	0.00	0.00	0.00	82.74	525.48
2018	1.00	6.45	0.00	0.00	0.00	0.00	0.00	0.00	71.29	562.26
2019	1.00	5.75	0.00	0.00	0.00	0.00	0.00	0.00	63.55	590.76
2020	1.00	5.26	0.00	0.00	0.00	0.00	0.00	0.00	58.12	613.41
2021	1.00	4.86	0.00	0.00	0.00	0.00	0.00	0.00	53.75	631.63
2022	1.00	4.57	0.00	0.00	0.00	0.00	0.00	0.00	50.49	646.51
2023	1.00	4.32	0.00	0.00	0.00	0.00	0.00	0.00	47.76	658.75
2024	1.00	4.07	0.00	0.00	0.00	0.00	0.00	0.00	44.96	668.77
2025	1.00	3.81	0.00	0.00	0.00	0.00	0.00	0.00	42.13	676.93
2026	1.00	3.58	0.00	0.00	0.00	0.00	0.00	0.00	39.59	683.60
2027	1.00	3.38	0.00	0.00	0.00	0.00	0.00	0.00	37.38	689.08
Rem.		55.96	0.00	0.00	0.00	0.00	0.00	0.00	618.29	26.25
Total		**160.54**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**1,773.69**	**715.33**

Major Phase :	Oil		
Perfs :	0 - 0		
Initial Rate :	17,000.00	bbl/month	
Abandonment :	85.63	bbl/month	
Initial Decline :	99.20	% year	b = 1.300
Beg Ratio :	2.824		
End Ratio :	10.721		

Abandonment Date :	9/30/2063
Working Int :	0.00000000
Revenue Int :	0.03570000
Disc. Initial Invest. (M$) :	0.00
ROInvestment (disc/undisc) :	0.00 / 0.00
Years to Payout :	0.00
Internal ROR (%) :	0.00

Present Worth Profile (M$)

PW	**10.00% :**	**855.18**
PW	**20.00% :**	**626.58**
PW	**30.00% :**	**517.31**
PW	**40.00% :**	**450.55**
PW	**50.00% :**	**404.44**
PW	**60.00% :**	**370.18**