

# West Blinebry Drinkard Unit

## Lea County, New Mexico

### INITIAL CAPITAL INVESTMENT

Unitization, Design, Construction and Implementation      Gross= \$10,576,150

### INCREMENTAL RESERVES

Gross= 5.9 mmbo

### INCREMENTAL ECONOMIC SUMMARY (10 yr Strip Prices)

	Future Net Revenue (M\$)	AFIT Present Value Disc @ 10% (M\$)	Finding Cost (\$/BOE)	IRR (%)
Working Owners (100% WI, 84.0% RI)	432,929	76,979	1.97	66.8
Mineral Owners	82,463	18,142	na	na
State of New Mexico	37,439	8,237	na	na

Note: Economics do not have BLM royalty reduction and the State's EOR tax rate taken into account.

Oil Conservation Division  
Case No. \_\_\_\_\_  
Exhibit No. **31**