

**PROPOSED UNIT PARTICIPATION IN THE EXPANDED
WEST LOVINGTON STRAWN UNIT
West Lovington Strawn Pool
Lea County, New Mexico**

TRACT	VOLUMETRIC OOIP (MB)	% OOIP (DECIMAL)	CURRENT* OIL RATE (BOPM)	% CURRENT OIL RATE (DECIMAL)	UNIT PARTICIPATION (DECIMAL)
WLSU	10,924.211	0.845265	50,787	0.736663	0.790964
Expansion Tracts:					
12	133.368	0.010319	10,812	0.156827	0.083573
13	121.802	0.009424	0	0.000000	0.004712
14	412.391	0.031909	6,150	0.089205	0.060557
15	654.911	0.050674	0	0.000000	0.025337
16	18.690	0.001446	0	0.000000	0.000723
17	149.993	0.011606	0	0.000000	0.005803
18	0.979	0.000076	0	0.000000	0.000038
19	24.912	0.001928	0	0.000000	0.000964
20	5.311	0.000411	0	0.000000	0.000205
21	236.375	0.018290	0	0.000000	0.009145
22	5.949	0.000460	0	0.000000	0.000230
23	0.096	0.000007	0	0.000000	0.000004
24	23.016	0.001781	1,193	0.017304	0.009543
25	8.840	0.000684	0	0.000000	0.000342
26	11.083	0.000858	0	0.000000	0.000429
27	0.412	0.000032	0	0.000000	0.000016
28	127.946	0.009900	0	0.000000	0.004950
29	60.720	0.004698	0	0.000000	0.002349
30	2.995	0.000232	0	0.000000	0.000116
Expansion Tracts (TR 12 to 30):					
Total	1,999.789	0.155	18,155	0.263337	0.209036
Expansion Tracts plus WLSU:					
TOTAL	12,924.000	1.000000	68,942	1.000000	1.000000

* Current producing rate is the average monthly oil production for the 6 month period including: Sept., Oct., Nov., and Dec. 1996 and Jan. & Feb. 1997.

$$\text{UNIT PARTICIPATION} = (50\%)(\text{OOIP}\%) + (50\%)(\text{CURRENT OIL RATE } \%)$$