

C M MORRIS 100

MONTHLY GAS PRODUCTION ALLOCATION FORMULA

GENERAL EQUATION

$$Q_t = Q_{ftc} + Q_{pc}$$

WHERE: Q_t = TOTAL MONTHLY PRODUCTION (MCF/MONTH)
 Q_{ftc} = FRUITLAND COAL (ftc) MONTHLY PRODUCTION
 Q_{pc} = PICTURED CLIFFS (pc) MONTHLY PRODUCTION (MCF/MONTH)

REARRANGING THE EQUATION TO SOLVE FOR Q_{ftc} :

$$Q_{ftc} = Q_t - Q_{pc}$$

ANY PRODUCTION RATE OVER WHAT IS CALCULATED FOR THE PICTURED CLIFFS (PC) USING THE APPLIED FORMULA IS FRUITLAND COAL (FTC) PRODUCTION.

ICTURED CLIFFS (PC) FORMATION PRODUCTION FORMULA IS:

$$Q_{pc} = Q_{pci} \times e^{-\{D_{pc} \times (t)\}}$$

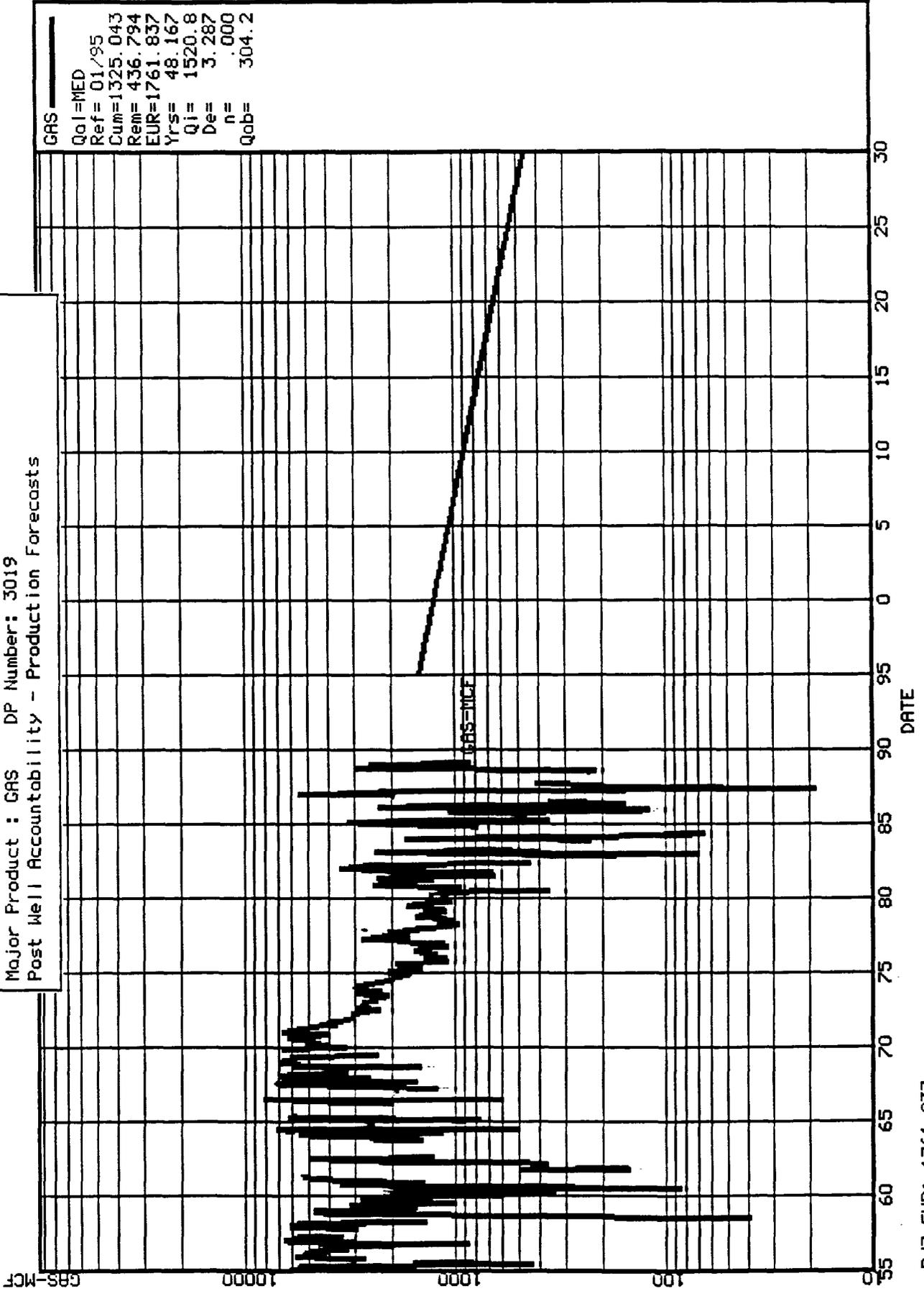
WHERE: Q_{pci} = INITIAL PC MONTHLY FLOW RATE (OBTAINED FROM C M MORRIS #1 PRODUCTION HISTORY)
 Q_{pci} = 1521 MCF//MONTH
 D_{pc} = PICTURED CLIFFS MONTHLY DECLINE RATE CALCULATED FROM DECLINE CURVE AND MATERIAL BALANCE ANALYSIS.
 D_{pc} = 0.0329 / YR = .00274 / MONTH

WHERE: $N_{p(pc)}$ = PICTURED CLIFFS ESTIMATED ULTIMATE RECOVERY (EUR)
 $N_{p(pc)}$ = DETERMINED FROM MATERIAL BALANCE CALCULATIONS OBTAINED FROM THE C M MORRIS #1 (PC) WELLBORE PREVIOUSLY LOCATED IN THE SAME 1/4 SECTION (REMAINING RESERVES = 436.794 MMCF).

THUS: $Q_{ftc} = Q_t - Q_{pci} \times e^{-\{.00274\} \times (t)}$
WHERE: (t) IS IN MONTHS

REFERENCE: Thompson, R. S., and Wright, J. D., "Oil Property Evaluation", pages 5-2, 5-3, 5-4.

Lease : C M MORRIS 1
 Field : FULCHER KUTZ PICTURED CLIFFS
 Location : 027N010W10G
 County, St : SAN JUAN NM
 Major Product : GAS DP Number: 3019
 Post Well Accountability - Production Forecasts



P/Z EUR: 1761.837
 CUM: 1325.043
 REM: 436.794