

ECONOMIC EVALUATION  
as of JAN 1, 1992

Run Date: 11/17/91 04:08

Input File: C:MID.DAT

No: 167

Property: LOCO HILLS

Operator: MEBBOURNE OIL

County: EDDY

Type: OIL

Well: STRAWN TEST

Field: CEDAR LAKE

State: NM

Class:

H = 7.5'

80 ACRE SPACING

|              | GROSS<br>OIL PROD | GROSS<br>GAS PROD | NET<br>OIL PROD | NET<br>GAS PROD | NET<br>TOTAL<br>REV | SEV + ADV<br>+ WFP<br>TAXES | NET<br>OPER<br>EXPENSE | NET<br>OPER<br>INCOME | NET<br>TOTAL<br>INVEST | CASHFLOW<br>(BFIT) | CUM<br>CASHFLOW<br>(BFIT) | DISC<br>CASHFLOW<br>(BFIT) |
|--------------|-------------------|-------------------|-----------------|-----------------|---------------------|-----------------------------|------------------------|-----------------------|------------------------|--------------------|---------------------------|----------------------------|
|              | MB                | MMCF              | MB              | MMCF            | M\$                 | M\$                         | M\$                    | M\$                   | M\$                    | M\$                | M\$                       | M\$                        |
| 1992(12 MO.) | 13.995            | 33.869            | 10.497          | 25.402          | 233.482             | 17.564                      | 18.000                 | 197.918               | 720.800                | 522.882-           | 522-                      | 532-                       |
| 1993         | 9.111             | 22.495            | 6.833           | 16.872          | 152.435             | 11.479                      | 18.000                 | 122.956               | .000                   | 122.956            | 399-                      | 106                        |
| 1994         | 6.560             | 16.522            | 4.920           | 12.392          | 110.085             | 8.298                       | 18.000                 | 83.787                | .000                   | 83.787             | 316-                      | 66                         |
| 1995         | 5.025             | 12.911            | 3.769           | 9.684           | 84.588              | 6.382                       | 18.000                 | 60.206                | .000                   | 60.206             | 255-                      | 43                         |
| 1996         | 4.016             | 10.524            | 3.012           | 7.893           | 67.805              | 5.120                       | 18.000                 | 44.685                | .000                   | 44.685             | 211-                      | 29                         |
| 1997         | 3.309             | 8.845             | 2.481           | 6.634           | 56.029              | 4.238                       | 18.000                 | 33.791                | .000                   | 33.791             | 177-                      | 20                         |
| 1998         | 2.790             | 7.608             | 2.092           | 5.706           | 47.394              | 3.586                       | 18.000                 | 25.808                | .000                   | 25.808             | 151-                      | 13                         |
| 1999         | 2.396             | 6.664             | 1.797           | 4.998           | 40.840              | 3.094                       | 18.000                 | 19.746                | .000                   | 19.746             | 131-                      | 9                          |
| 2000         | 2.088             | 5.924             | 1.566           | 4.443           | 35.708              | 2.709                       | 18.000                 | 14.999                | .000                   | 14.999             | 116-                      | 6                          |
| 2001         | 1.842             | 5.330             | 1.381           | 3.998           | 31.596              | 2.401                       | 18.000                 | 11.195                | .000                   | 11.195             | 105-                      | 4                          |
| 2002         | 1.641             | 4.845             | 1.231           | 3.634           | 28.259              | 2.146                       | 18.000                 | 8.113                 | .000                   | 8.113              | 97-                       | 2                          |
| 2003         | 1.475             | 4.442             | 1.106           | 3.332           | 25.479              | 1.939                       | 18.000                 | 5.540                 | .000                   | 5.540              | 92-                       | 1                          |
| 2004         | 1.336             | 4.103             | 1.002           | 3.077           | 23.161              | 1.763                       | 18.000                 | 3.398                 | .000                   | 3.398              | 88-                       | 1                          |
| 2005( 8 MO.) | .811              | 2.531             | .608            | 1.898           | 14.095              | 1.075                       | 12.000                 | 1.020                 | .000                   | 1.020              | 87-                       | 0                          |
| 2006         |                   |                   |                 |                 |                     |                             |                        |                       |                        |                    |                           |                            |
| 2007         |                   |                   |                 |                 |                     |                             |                        |                       |                        |                    |                           |                            |
| 2008         |                   |                   |                 |                 |                     |                             |                        |                       |                        |                    |                           |                            |
| 2009         |                   |                   |                 |                 |                     |                             |                        |                       |                        |                    |                           |                            |
| 2010         |                   |                   |                 |                 |                     |                             |                        |                       |                        |                    |                           |                            |
| 2011         |                   |                   |                 |                 |                     |                             |                        |                       |                        |                    |                           |                            |
| SUBTOTAL     | 56.395            | 146.613           | 42.295          | 109.963         | 950.956             | 71.794                      | 246.000                | 633.162               | 720.800                | 87.638-            | 87-                       | 226-                       |
| REMAINING    | .000              | .000              | .000            | .000            | .000                | .000                        | .000                   | .000                  | .000                   | .000               | 0                         | 0                          |
| TOTAL        | 56.395            | 146.613           | 42.295          | 109.963         | 950.956             | 71.794                      | 246.000                | 633.162               | 720.800                | 87.638-            | 87-                       | 226-                       |

| -----EVALUATED INTERESTS----- |            |            | ---R E S E R V E S--- |            | -----E C O N O M I C S----- |                     |       | ----- PRESENT WORTH ----- |                        |
|-------------------------------|------------|------------|-----------------------|------------|-----------------------------|---------------------|-------|---------------------------|------------------------|
| INITIAL                       | FINAL      | DATE       | OIL                   | GAS        |                             |                     |       | -\$                       | -\$                    |
| WORKING                       | 1.00000000 | 1.00000000 | ---MB---              | ---MMCF--- |                             |                     |       | 0.0                       | -87.638                |
| OIL INCOME                    | .75000000  | .75000000  | CUM.                  | 0          | 0                           | DISCOUNT RATE (PCT) | 10.00 | 12.0                      | -246.121               |
| GAS INCOME                    | .75000000  | .75000000  | REM.                  | 56         | 146                         | PROJECT LIFE (YRS)  | 13.66 | 15.0                      | -272.442               |
| *EVALUATED INTEREST: COMPANY  |            |            | ULT.                  | 56         | 146                         | PAYOUT (YRS)        | .00   | 20.0                      | -309.190               |
|                               |            |            |                       |            |                             | INTERNAL ROR (PCT)  | .57   | 25.0                      | -339.162               |
| NET OIL REVENUE(M\$):         | 803.605    |            | WELLS                 | 1          | 0                           | INCOME/INVEST-DISC  | .69   | 30.0                      | -364.097               |
| NET GAS REVENUE(M\$):         | 147.351    |            |                       |            |                             | INCOME/INVESTMENT   | .88   |                           |                        |
|                               |            |            |                       |            |                             |                     |       |                           | DISC. METHOD: MID YEAR |

-----F O O T N O T E S-----  
EVALUATION TERMINATION REASON: ECONOMIC LIMIT

BEFORE EXAMINER STOGNER

OIL CONSERVATION DIVISION

EXHIBIT NO. 14

CASE NO. 10329 + 10518