

# JUSTIS GLORIETA FIELD NEW DRILL WELL

- ESTIMATED RESERVES OF 650 MMCFG
- INITIAL GAS PRICE OF \$1.41/MMBTU BASED ON THE LAST 12 MONTH AVERAGE AND HELD CONSTANT
- WI = 100 %, NRI = 87.5 %
- COMPLETED COST = \$339,900
  - TANGIBLE = \$130,300
  - INTANGIBLE = \$209,600
- OPERATING COST = \$1500/MONTH ESCALATED AT 5%
- CASE I (INITIAL RATE = 154 MCFPD)
  - ROR = 0 %
  - PAYOUT = N/A
- CASE II (INITIAL RATE = 600 MCFPD)
  - ROR = 26 %
  - PAYOUT = 3 YEARS

Before the  
NGL CONSERVATION COMMISSION  
Case No. 10526 Exhibit No. 5  
Submitted by MERIDIAN OIL - NM  
Hearing Date: 3/27/92