

Lea Wolfcamp Pool Analysis of Remaining Recoverable Reserves

- Based on geologic mapping, the reservoir occupies 6,748 ac-ft, with 2,488 ac-ft underlying the E/2 of Section 14 and 3,953 ac-ft underlying the S/2 of Section 8.
- The remaining recoverable reserves for each tract should be proportional to the to the reservoir volume under each tract.
- Based on material balance data, there are 3,158 MMCF left to be recovered from the reservoir.
- Allocating the remaining reserves utilizing the ratio of reservoir volume under each tract, the Neuhaus 14 Federal No. 2 should be allowed to recover 37% of the remaining gas or 1,168 MMCF.
- In order to protect the correlative rights of both Marathon and Manzana, a penalty must be constructed which allows each well to recover the remaining gas under its spacing unit.

Before the
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
Marathon Oil Company
Exhibit No. 18 Case No. 10796
Hearing Date: October 14, 1983