

DAGGER DRAW (S. E.) AREA
OPERATING BREAKEVEN ANALYSIS

(Without SWD Facilities)

I. OPERATING EXPENSES

Power	=	\$3600	/month
Water Disposal	=	\$37,500	/month (\$1.25 per bbl)
Misc. Oper. Costs	=	<u>\$ 400</u>	/month
TOTAL		\$41,500	/month

II. BREAKEVEN PRODUCTION RATE

Monthly Oper. Cost		\$41,500/mo
+ \$27.50/bbl Oil Price	+	\$ 27.50/bbl
x WI/NRI	x	1.27bbl/bbl
+ <u>1-Prod. Tx</u>	+	<u>0.935</u>
= Breakeven Oil Production	=	2050 BOPM
	=	68bbl/day

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 1
CASE NO. 8739
Submitted by ANADARKO
Hearing Date 1-1-86