

ECONOMICS

Shaner
643-840H
DON
Sprinkle 7
CASE NO. 8783-8755

Well Cost (\$)	496,900.00
Estimated Primary Reserves (bbls)	106,317.00
Average Producing Rate to Payout (BOPD)	160.00
Average Net Price for Crude (\$/bbl)	20.00
Average Net Price for Gas (\$/MCF)	2.04
Average Income per Barrel (1000-1 GOR) (\$)	22.04
Average Monthly Production (BOPM)	4,864.00
Gross Monthly Lease Income (\$)	107,203.00
Net Income to 87% W.I. (\$/mo)	93,267.00
Monthly Operating Expense (\$)	1,200.00
Net Monthly Income to W.I. (\$/mo)	92,067.00
Payout of Well (months)	5.40
Return on Investment	3.70
Gross Barrels to Payout (bbls)	26,266.00
Gross Barrels for 180% Additional Risk (bbls)	47,278.00
Total Production to Cover Risk Factor (bbls)	73,544.00
Remaining Reserves After Payout of Risk Factor	32,773.00
Net to Sprinkle Interest (bbls)	8,910.00
Original Reserve to Sprinkle Interest (bbls)	28,905.00
Reserves Lost Due to Risk Penalty (bbls)	19,995.00
Value of Lost Reserves to Sprinkle (\$)	440,700.00
Net Loss to Sprinkle after Well Cost (\$)	285,419.00

By: W.G.McCoy

Date: 12/15/85