

Special Pool Rules
Medano Area Delaware
Economic Waste

<u>Case</u>	<u>Scenario</u>	<u>Discounted Net Present Value</u>	<u>Incremental Disc. Net Present Value Relative to Case 2</u>
1	One well, both zones 187 BOPD allowable	\$412,000	+\$ 81,000
2	One well, both zones 80 BOPD allowable	\$331,000	0
3	One well, one zone at a time	\$185,000	-\$146,000
4	One well to Bell Canyon Second well to Brushy Canyon	\$ 53,000	-\$278,000

-Each scenario has the same oil reserves.

YATES PETROLEUM CORP.
BEFORE EXAMINER STOGNER
N.M. O.C.D. CASE NO. 10327
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EXHIBIT NO. 17