ATTACHMENT 3

NEW MEXICO "S" STATE #36

ADDITIONAL RECOVERY CALCULATION

Wantz Granite Wash and Drinkard

Current Rate = 2.0 BOPD, 8.4 MCFPD (GOR = 4200 SCF/bb1)

Decline Rate = 15% per year (exponential)

Additional Reserves Recovered by Downhole Commingling

0il: N = $\frac{(0-0i) \ 365}{\ln(1-d)} = \frac{(0-2)365}{\ln(1-.15)} = \frac{4492 \ B0}{4492 \ B0}$

Gas:

G = 4492 BO * 4200 SCF/bbl = <u>18,866 MCF</u>