

DHC 11/10/98



THE WISER OIL COMPANY

P.O. BOX 2568 • HOBBS, NM 88241
(Phone) 505-392-9797
(FAX) 505-392-8971

2/24

RECEIVED

October 8, 1998

OCT 21 1998

Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505-6428

Oil Conservation Division
PO Box 1980
Hobbs, NM 88240

Attn: David Catanach

Re: Downes D #2
Blinebry/Tubb zones
API # 30-025-06955
L 32 21S 37E
Lea County, NM

Attn: Downhole Commingling Department

The Wisier Oil Company as operator of the captioned well in Lea County, New Mexico, hereby requests permission to downhole commingle all production from same. We understand that commingling for these zones has been approved for other operators. Following is a list of attachments:

- C107 A
- Map of Location
- Downhole Schematic
- C102 for Blinebry & Tubb zones
- C116 for Blinebry & Tubb zones
- Production curve for Blinebry & Tubb zones
- Allocation Formula
- Value Formula
- Notification list

Blineby/Tubb Downhole Commingling
Page 2

Allocation Formula
Value Formula
Notification list

In order to adequately produce this well to its full potential we need to downhole commingle the blineby and tubb zones. We are selling all gas production to Texaco. BTU's should not change significantly with commingling. We do not expect any crossflow. Commerical production should not decrease. Allocation of production will be based on current well tests.

No pressures have been recorded on either the Blinebry or Tubb formation in the subject well. Currently the Tubb zone is isolated with a bridge plug. If allowed to commingle the two zones, a bottomhole pressure will be ascertained. Since the Tubb zone is currently isolated with a bridge plug we ask for relief from performing BHP testing until after commingling the zones.

Please let us know as soon as possible if you require any additional information.

Yours truly,

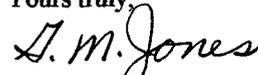

G. M. Jones

EXHIBIT "B" - CASE NO. 11353, ORDER NO. R-10470-A

DISTRICT I
P.O. Box 1880, Hobbs, NM 88240

DISTRICT II
811 South First St., Artesia, NM 88210

DISTRICT III
1000 Rio Grande Rd., Artesia, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
2040 S. Pacheco
Santa Fe, New Mexico 87505-6428

Form C-107-A
New 3-12-86

APPROVAL PROCESS
 Administrative Hearing

EXISTING WELLBORE
 YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

The Wiser Oil Company PO Box 2568 Hobbs, NM 88240

Operator: Downes D Address: L 32 215 37E Lea
Lease: 2 War No. 022922 Property Code 11835 API NO. 30-025-06955 Spacing Unit Lease Types: (check 1 or more) Federal State (and/or) Fee X

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	Blinebry		Tubb
2. Top and Bottom of Pay Section (Perforations)	5564' - 5805'		6171' - 6264'
3. Type of production (Oil or Gas)	Oil Well		Oil
4. Method of Production (Flowing or Artificial Lift)	Pumping		Pumping
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) N/A	a.	a. N/A
	b. (Original) N/A	b.	b. N/A
6. Oil Gravity (° API) or Gas BTU Content	37.4		36.5
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	No		No
* If Shut-In, give date and oil/gas/water rates of last production	Date: Rates:	Date: Rates:	Date: Rates:
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data			
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: See attached	Date: Rates:	Date: Rates: See attached
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes No
If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No
Have all offset operators been given written notice of the proposed downhole commingling? Yes No
1. Will cross-flow occur? Yes No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. Yes No (If No, attach explanation)
2. Are all produced fluids from all commingled zones compatible with each other? Yes No
3. Will the value of production be decreased by commingling? Yes No (If Yes, attach explanation)
4. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. Yes No
5. NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S) _____
6. ATTACHMENTS:
 * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 * Production curve for each zone for at least one year. (If not available, attach explanation.)
 * For zones with no production history, estimated production rates and supporting data.
 * Data to support allocation method or formula.
 * Notification list of all offset operators.
 * Notification list of working, overriding, and royalty interests for uncommon interest cases.
 * Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE J.M. Jones TITLE Supt. DATE October 1, 1998

NAME OR PRINT NAME G.M. Jones TELEPHONE NO. (505) 392-9797

<p>14. 6. 1955 15. 7. 1955 16. 8. 1955 17. 9. 1955 18. 10. 1955 19. 11. 1955 20. 12. 1955</p>	<p>21. 1. 1956 22. 2. 1956 23. 3. 1956 24. 4. 1956 25. 5. 1956 26. 6. 1956</p>	<p>27. 7. 1956 28. 8. 1956 29. 9. 1956 30. 10. 1956 31. 11. 1956 32. 12. 1956</p>	<p>33. 1. 1957 34. 2. 1957 35. 3. 1957 36. 4. 1957 37. 5. 1957 38. 6. 1957</p>	<p>39. 7. 1957 40. 8. 1957 41. 9. 1957 42. 10. 1957 43. 11. 1957 44. 12. 1957</p>	<p>45. 1. 1958 46. 2. 1958 47. 3. 1958 48. 4. 1958 49. 5. 1958 50. 6. 1958</p>	<p>51. 7. 1958 52. 8. 1958 53. 9. 1958 54. 10. 1958 55. 11. 1958 56. 12. 1958</p>	<p>57. 1. 1959 58. 2. 1959 59. 3. 1959 60. 4. 1959 61. 5. 1959 62. 6. 1959</p>	<p>63. 7. 1959 64. 8. 1959 65. 9. 1959 66. 10. 1959 67. 11. 1959 68. 12. 1959</p>	<p>69. 1. 1960 70. 2. 1960 71. 3. 1960 72. 4. 1960 73. 5. 1960 74. 6. 1960</p>	<p>75. 7. 1960 76. 8. 1960 77. 9. 1960 78. 10. 1960 79. 11. 1960 80. 12. 1960</p>	<p>81. 1. 1961 82. 2. 1961 83. 3. 1961 84. 4. 1961 85. 5. 1961 86. 6. 1961</p>	<p>87. 7. 1961 88. 8. 1961 89. 9. 1961 90. 10. 1961 91. 11. 1961 92. 12. 1961</p>	<p>93. 1. 1962 94. 2. 1962 95. 3. 1962 96. 4. 1962 97. 5. 1962 98. 6. 1962</p>	<p>99. 7. 1962 100. 8. 1962 101. 9. 1962 102. 10. 1962 103. 11. 1962 104. 12. 1962</p>	<p>105. 1. 1963 106. 2. 1963 107. 3. 1963 108. 4. 1963 109. 5. 1963 110. 6. 1963</p>	<p>111. 7. 1963 112. 8. 1963 113. 9. 1963 114. 10. 1963 115. 11. 1963 116. 12. 1963</p>	<p>117. 1. 1964 118. 2. 1964 119. 3. 1964 120. 4. 1964 121. 5. 1964 122. 6. 1964</p>	<p>123. 7. 1964 124. 8. 1964 125. 9. 1964 126. 10. 1964 127. 11. 1964 128. 12. 1964</p>	<p>129. 1. 1965 130. 2. 1965 131. 3. 1965 132. 4. 1965 133. 5. 1965 134. 6. 1965</p>	<p>135. 7. 1965 136. 8. 1965 137. 9. 1965 138. 10. 1965 139. 11. 1965 140. 12. 1965</p>	<p>141. 1. 1966 142. 2. 1966 143. 3. 1966 144. 4. 1966 145. 5. 1966 146. 6. 1966</p>	<p>147. 7. 1966 148. 8. 1966 149. 9. 1966 150. 10. 1966 151. 11. 1966 152. 12. 1966</p>	<p>153. 1. 1967 154. 2. 1967 155. 3. 1967 156. 4. 1967 157. 5. 1967 158. 6. 1967</p>	<p>159. 7. 1967 160. 8. 1967 161. 9. 1967 162. 10. 1967 163. 11. 1967 164. 12. 1967</p>	<p>165. 1. 1968 166. 2. 1968 167. 3. 1968 168. 4. 1968 169. 5. 1968 170. 6. 1968</p>	<p>171. 7. 1968 172. 8. 1968 173. 9. 1968 174. 10. 1968 175. 11. 1968 176. 12. 1968</p>	<p>177. 1. 1969 178. 2. 1969 179. 3. 1969 180. 4. 1969 181. 5. 1969 182. 6. 1969</p>	<p>183. 7. 1969 184. 8. 1969 185. 9. 1969 186. 10. 1969 187. 11. 1969 188. 12. 1969</p>	<p>189. 1. 1970 190. 2. 1970 191. 3. 1970 192. 4. 1970 193. 5. 1970 194. 6. 1970</p>	<p>195. 7. 1970 196. 8. 1970 197. 9. 1970 198. 10. 1970 199. 11. 1970 200. 12. 1970</p>	<p>201. 1. 1971 202. 2. 1971 203. 3. 1971 204. 4. 1971 205. 5. 1971 206. 6. 1971</p>	<p>207. 7. 1971 208. 8. 1971 209. 9. 1971 210. 10. 1971 211. 11. 1971 212. 12. 1971</p>	<p>213. 1. 1972 214. 2. 1972 215. 3. 1972 216. 4. 1972 217. 5. 1972 218. 6. 1972</p>	<p>219. 7. 1972 220. 8. 1972 221. 9. 1972 222. 10. 1972 223. 11. 1972 224. 12. 1972</p>	<p>225. 1. 1973 226. 2. 1973 227. 3. 1973 228. 4. 1973 229. 5. 1973 230. 6. 1973</p>	<p>231. 7. 1973 232. 8. 1973 233. 9. 1973 234. 10. 1973 235. 11. 1973 236. 12. 1973</p>	<p>237. 1. 1974 238. 2. 1974 239. 3. 1974 240. 4. 1974 241. 5. 1974 242. 6. 1974</p>	<p>243. 7. 1974 244. 8. 1974 245. 9. 1974 246. 10. 1974 247. 11. 1974 248. 12. 1974</p>	<p>249. 1. 1975 250. 2. 1975 251. 3. 1975 252. 4. 1975 253. 5. 1975 254. 6. 1975</p>	<p>255. 7. 1975 256. 8. 1975 257. 9. 1975 258. 10. 1975 259. 11. 1975 260. 12. 1975</p>	<p>261. 1. 1976 262. 2. 1976 263. 3. 1976 264. 4. 1976 265. 5. 1976 266. 6. 1976</p>	<p>267. 7. 1976 268. 8. 1976 269. 9. 1976 270. 10. 1976 271. 11. 1976 272. 12. 1976</p>	<p>273. 1. 1977 274. 2. 1977 275. 3. 1977 276. 4. 1977 277. 5. 1977 278. 6. 1977</p>	<p>279. 7. 1977 280. 8. 1977 281. 9. 1977 282. 10. 1977 283. 11. 1977 284. 12. 1977</p>	<p>285. 1. 1978 286. 2. 1978 287. 3. 1978 288. 4. 1978 289. 5. 1978 290. 6. 1978</p>	<p>291. 7. 1978 292. 8. 1978 293. 9. 1978 294. 10. 1978 295. 11. 1978 296. 12. 1978</p>	<p>297. 1. 1979 298. 2. 1979 299. 3. 1979 300. 4. 1979 301. 5. 1979 302. 6. 1979</p>	<p>303. 7. 1979 304. 8. 1979 305. 9. 1979 306. 10. 1979 307. 11. 1979 308. 12. 1979</p>	<p>309. 1. 1980 310. 2. 1980 311. 3. 1980 312. 4. 1980 313. 5. 1980 314. 6. 1980</p>	<p>315. 7. 1980 316. 8. 1980 317. 9. 1980 318. 10. 1980 319. 11. 1980 320. 12. 1980</p>
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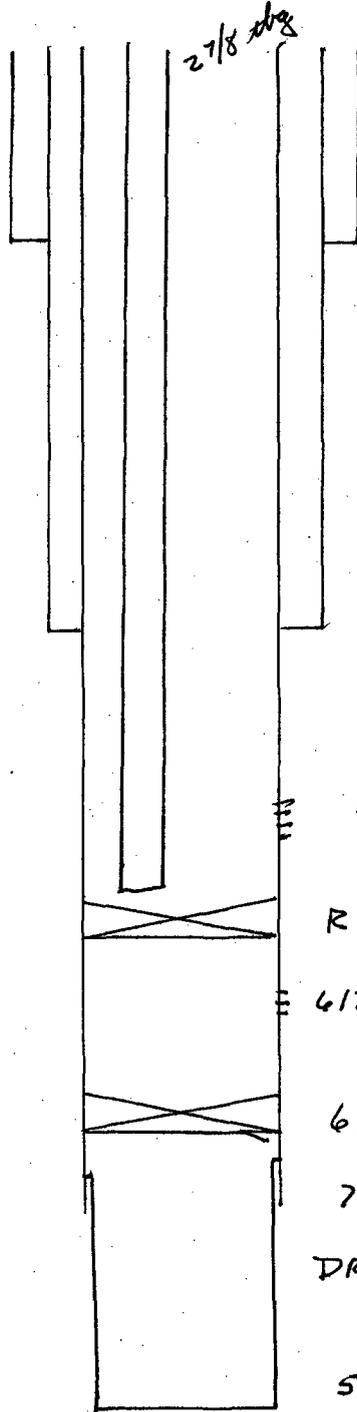
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Downes D #2

22-141 50 SHEETS
22-142 100 SHEETS
22-144 200 SHEETS



13 3/8" 68# set @ 319' w/ 300 sf
Cmt

60-7/8" / 150 3/4" Rod string.

9 5/8" 36# Set @ 2848 w/ 1400 sf
Cmt

5564' - 5805' Blinbry

RBP 5875'

4171 - 4264 Tubb

6340' CIBP

7" 23# set @ 6497'

DRINKARD Perfs 6540' - 6678'

5 1/2" 15.5 set from 6440' - 6680'
liner

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1080 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-102
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-06955		Pool Code 6660		Pool Name Blinebry Oil & Gas	
Property Code 11835	Property Name Downes D			Well Number 2	
GRID No. 022922	Operator Name The Wiser Oil Company			Elevation 3458	

¹⁰ Surface Location

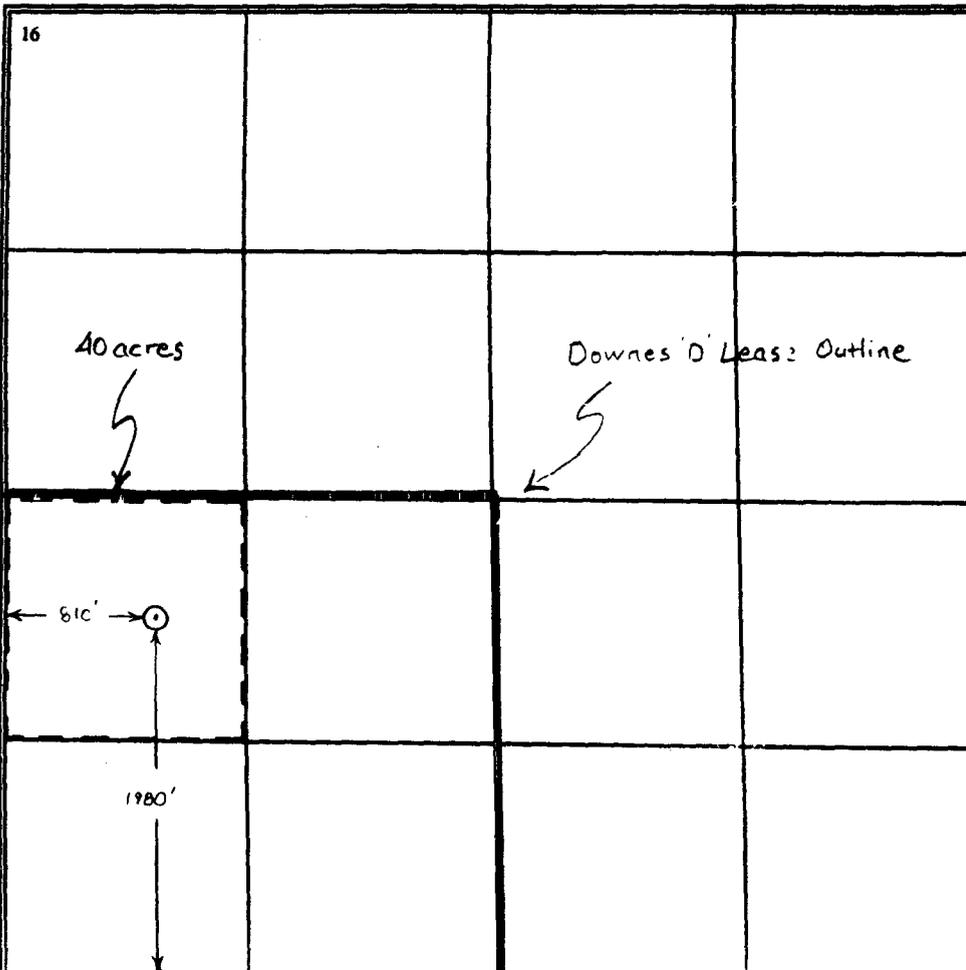
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	32	21S	37E		1980	S	810	W	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Matt Eagleston
 Signature
 Matt Eagleston
 Printed Name
 Project Manager
 Title
 6/17/98
 Date

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
 Signature and Seal of Professional Surveyer:

Certificate Number

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-06955		Pool Code 60240		Pool Name Tubb Oil & Gas	
Property Code 11835		Property Name Downes D			Well Number 2
OGRID No. 022922		Operator Name The Wiser Oil Company			Elevation 3458

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	32	21S	37E		1980	S	810	W	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>		
	Signature Matt Eagleston Printed Name Project Manager Title 6/17/98 Date		
¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>			
Date of Survey Signature and Seal of Professional Surveyor: Certificate Number			

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

GAS - OIL RATIO TEST

Operator		The Wiser Oil Company				Blainery		Pool		County		Lea			
Address		PO Box 2568 Hobbs, NM 88240				TYPE OF TEST - (X)		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>			
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST		GAS M.C.F.	GAS - OIL RATIO CU.FT/BBL.	
		U	S	T							R	WATER BBL.			OIL BBL.
Dornes D	2	L	32	21	37	7-24-98	P			24	42	37.4	39	285	3166

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.
Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F.
Specific gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Signature Mary Jo Turner
Mary Jo Turner
Printed name and title
October 1, 1998
Date
(505) 392-9797
Completions Dept.
Telephone No.

Submit 2 copies to Appropriate District Office.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

GAS - OIL RATIO TEST

Operator The Wisser Oil Company		Pool Tubid		County Lea											
Address PO Box 2566 Hobbs, NM 88240		TYPE OF TEST - (X) <input checked="" type="checkbox"/> Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>											
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST		GAS M.C.F.	GAS - OIL RATIO CU FT/BBL.	
		U	S	T							R	WATER BBL.			GRAV. OIL BBL.
Downes D	2	L	32	21	37	7-24-90	P			24	23	36.5	32	92	2875

Instructions:

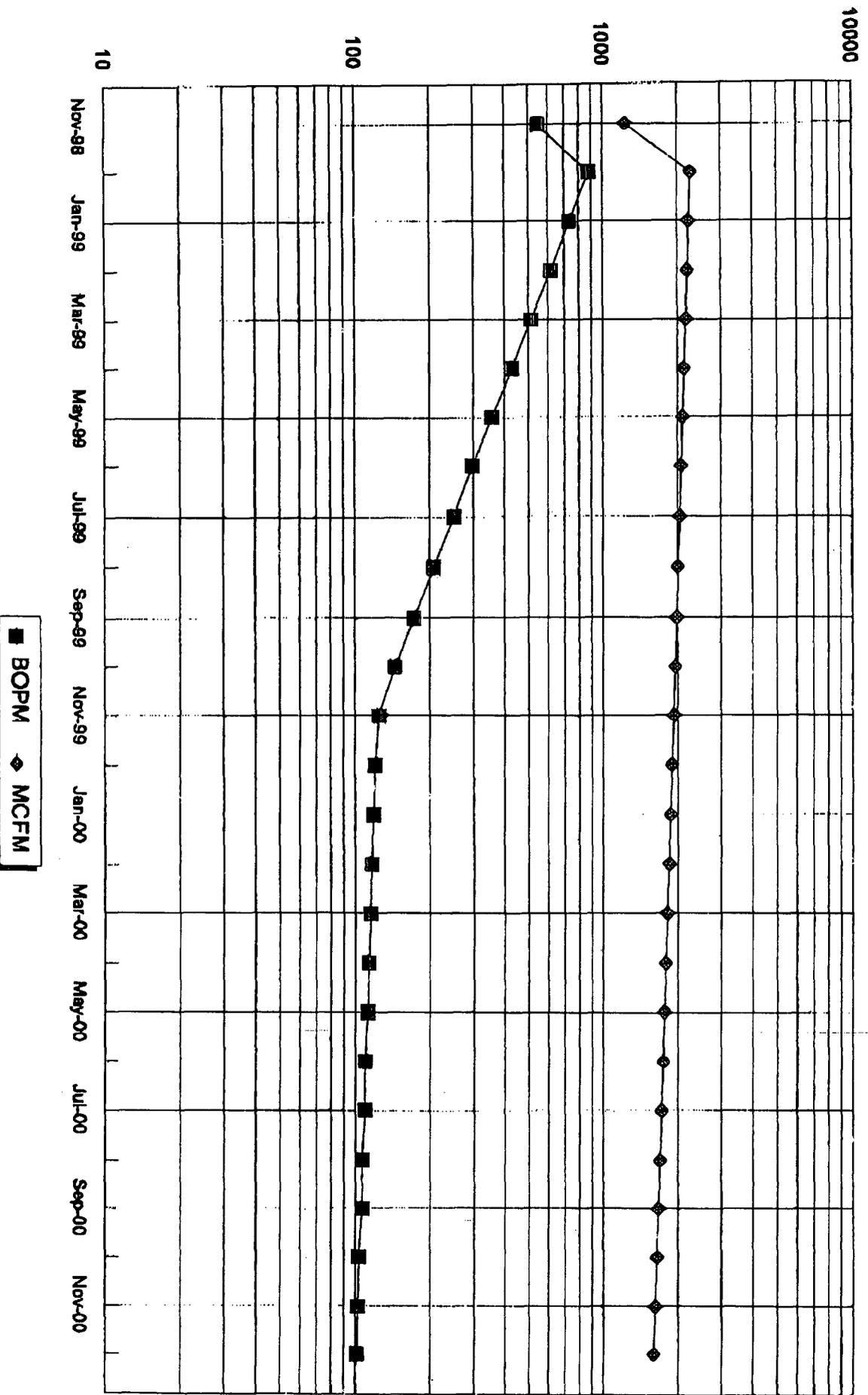
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.
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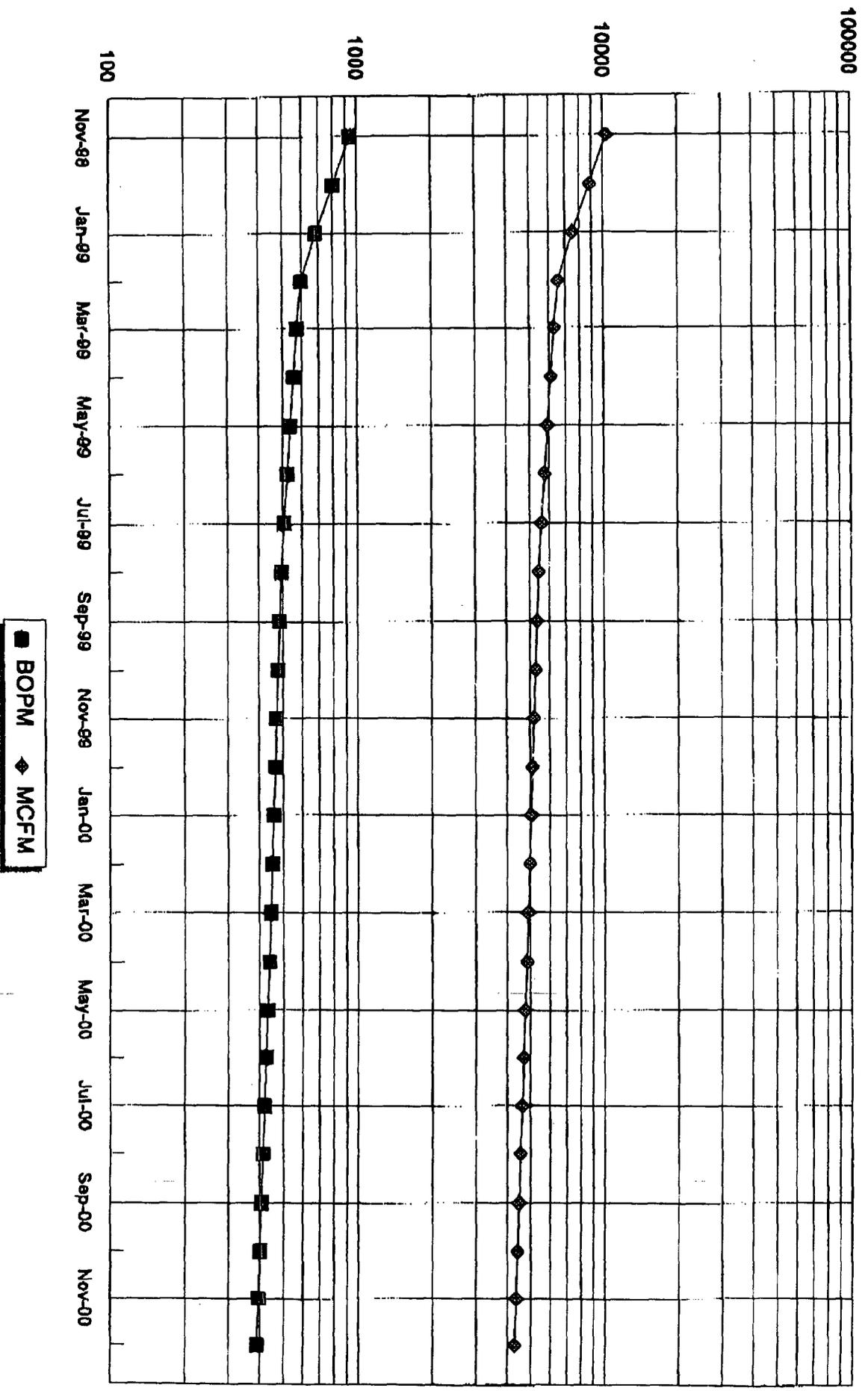
Signature: Mary Jo Turner
Printed name and title: Mary Jo Turner Completions Dept.
Date: October 1, 1993 (505) 392-9797
Telephone No. _____

(See Rule 301, Rule 1116 & appropriate pool rules.)

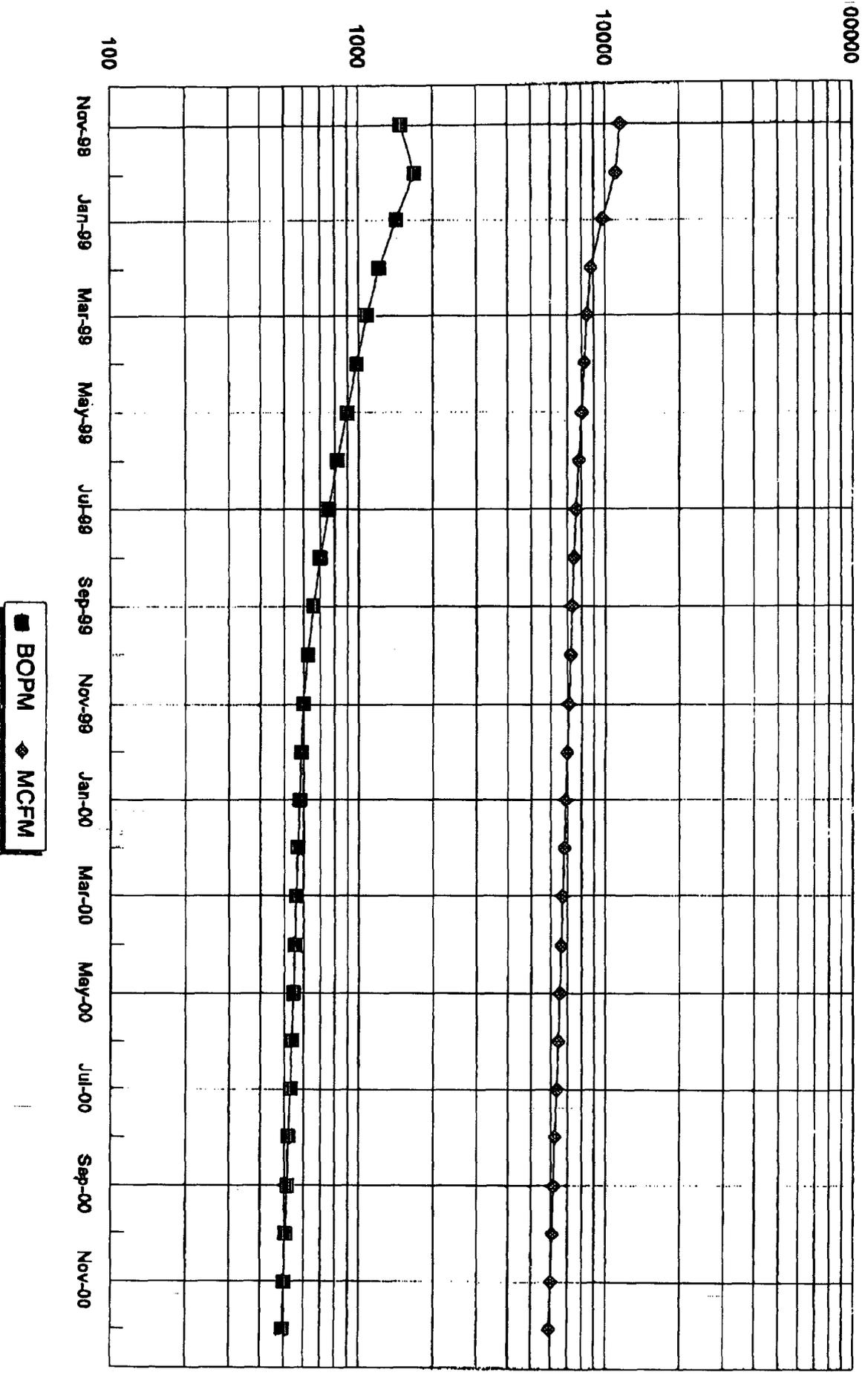
Downes 'D' #2 Tubb



Downes 'D' #2 Blinebry



Downes 'D' #2 Combined



**The Wiser Oil Company
Downes 'D' #2
Lea County, New Mexico**

Date	Blinebry		Tubb		Combined	
	Oil (bopm)	Gas (mcfm)	Oil (bopm)	Gas (mcfm)	Oil (bopm)	Gas (mcfm)
Nov-98	942	10,357	547	1,237	1,489	11,594
Dec-98	804	8,842	884	2,265	1,688	11,107
Jan-99	686	7,550	737	2,233	1,423	9,783
Feb-99	596	6,562	616	2,201	1,212	8,763
Mar-99	572	6,282	513	2,168	1,085	8,450
Apr-99	554	6,099	429	2,138	983	8,237
May-99	538	5,919	358	2,107	896	8,026
Jun-99	523	5,747	298	2,076	821	7,823
Jul-99	507	5,578	250	2,047	757	7,625
Aug-99	493	5,426	208	2,017	701	7,443
Sep-99	485	5,340	173	1,987	658	7,327
Oct-99	479	5,262	145	1,960	624	7,222
Nov-99	471	5,187	124	1,931	595	7,118
Dec-99	465	5,112	120	1,903	585	7,015
Jan-00	458	5,038	118	1,875	576	6,913
Feb-00	451	4,966	116	1,849	567	6,815
Mar-00	445	4,894	115	1,822	560	6,716
Apr-00	439	4,823	113	1,795	552	6,618
May-00	432	4,754	112	1,770	544	6,524
Jun-00	426	4,685	109	1,744	535	6,429
Jul-00	420	4,617	109	1,719	529	6,336
Aug-00	413	4,551	106	1,694	519	6,245
Sep-00	408	4,485	106	1,670	514	6,155
Oct-00	402	4,421	103	1,646	505	6,067
Nov-00	396	4,357	102	1,622	498	5,979
Dec-00	390	4,294	101	1,598	491	5,892

Note

Tubb formation projected to begin producing in mid-November

Downes D #2

Blinebry/Tubb

Downhole Commingling Application

Allocation Formula

Allocation will be based on well tests. An example follows:

- **Days on x well test ultimate production**
- **Allocation % x ultimate production = allocated production**

Gas allocation

Step 1

<u>Zone</u>	<u>Days on</u>	<u>Mcf</u>
Blinebry	30x 285 =	8550
Tubb	30x 92 =	<u>2760</u>
		11310

Step 2

	Test	% of total =	Allocated
Blinebry	8550/mo -	11310	= 75%
Tubb	2760/mo -	11310	= 25%

Oil allocation

Step 3

<u>Zone</u>	<u>Days on</u>	<u>Bo/mo</u>
Blinebry	30x39 =	1170
Tubb	30x32 =	<u>960</u>
	total	2130

Step 4

	Test	%of total =	Allocated
Blinebry	1170 -	2130	= 55%
Tubb	960 -	2130	= 45%

Downes D #2

Blincbry/Tubb

Downhole Commingling Application

Value Formula

Gas

Current Value (10/1/98) is as follows:

Zone	Mcfpd		NRI		Price	=	Value
Blincbry	285	x	.875	x	1.91	=	476.31
Tubb	92	x	.875	x	1.91	=	<u>153.75</u>
							630.06

Proposed Value after commingling:

Zone	Mcfpd		Prop. Inc		NRI		Price	=	Value
Commingled	390 x		1.03	x	.875	x	1.91	=	671.34

Oil

Zone	Bopd		NRI		Price	=	Value
Blincbry	39	x	.875	x	13.00	=	443.62
Tubb	32	x	.875	x	13.00	=	<u>364.00</u>
							807.62

Proposed Value after commingling

Zone	Bopd		Prop. Inc.		NRI		Price	=	Value
Commingle	75	x	1.06	x	.875	x	13.00	=	904.31

Total Value: 1575.65\$ After commingling.

**DOWNES D #2
OFFSET OPERATORS**

CHEVRON

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COLLINS & WARE

508 West Wall, Ste 1200
Midland, Tx 79701

JOHN HENDRIX

110 N. Marienfeld, Ste 400
Midland, Tx 79702

LANEXCO, INC

310 West Wall, Ste 910
Midland, Tx 79702

POGO PRODUCING COMPANY

P.O. Box 10340
Midland, Tx 79702-7340

YARBOROUGH OIL COMPANY

P.O. Box 192
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