

Production Estimate and Supporting Data for Form C-107-A Application For Downhole Commingling Shell State # 3

During initial completion operations in 1996 the Bone Springs interval was tested as reported below. The well was commingled and tested as reported below:

DATE	BOPD	BWPD	MCFPD	REMARKS
8/6/96	46	17	400 psig FTP	Bone Springs Perforations
10/31/96	120	155	282	Both Zones Together

From this data the Delaware oil and water rates were calculated. From the Delaware oil rate and average Gas to Oil ratio of 1,850 SCF/STB, a Delaware Gas rate is calculated. By subtracting the Delaware gas rate from the total gas rate, the Bone Springs gas rate is calculated as listed below:

DATE	BOPD	BWPD	MCFPD	REMARKS
8/6/96	46	17	145	Bone Springs Perforations
	74	138	137	Delaware Perforations
10/31/96	120	155	282	Both Zones Together

From this data, the fixed percentage allocation as reported in item No. 8 is calculated.

