

**Prognostication of future Morrow Production:**

Production behavior suggests that the Morrow will decline at 25%/yr.

- Gas: IP = 10 MCFPD      d = 25%/year

$$N = \frac{365 (Q-Q_i)}{\ln(1-d)} = \frac{365 (0-10)}{\ln(1-.25)} = 12,688 \text{ MCF}$$

- 6> Estimated bottom-hole pressure for each artificially lifted zone. A current (within 30 days) measured bottomhole pressure for each zone capable of flowing.

Estimated BHP of Morrow = 3008 psi from BHP measurement taken 9-18-93.

Estimated BHP of Strawn = 3301 psi from DST measurement taken on North Millman Unit #2. See Attachment C (BHP Data).

- 7> A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the well-bore.

Wellbore fluids will not be incompatible. The Morrow will produce dry, sweet gas. A standing valve located in a packer above the Morrow will protect the Morrow from any liquids produced by the Strawn.

- 8> A computation showing that the value of the commingled production will not be less than the sum of the values of the individual streams.

Morrow and Strawn gas are sweet and will not decrease the value of the commingled gas streams.

Prognostication of each formation's reserves indicates that an additional 12,688 MCF of gas will be recovered by commingling production from the Morrow and Strawn.

- 9> A formula for the allocation of production to each of the commingled zones and a description of the factors or data used in determining such formula.

Allocation formula will be submitted after the Strawn is tested.

- 10> A statement that all offset operators and, in the case of a well on federal land, the US BLM, have been notified in writing of the proposed commingling.

The offset operators for this area were notified of the proposed commingling of the North Millman Unit #4.