g) There will be no loss in total gas quality or value due to mixing of the production streams.

The Morrow and Atoka zones produce gas with no condensate. A copy of a gas analysis from these zones is included. The gas is 96.7 percent methane. A Strawn gas analysis is not available for this well. Strawn wells in the area produce gas and some condensate. The condensate yield is in the range of a wet gas so no reservoir or bottom hole condensation would occur and the production streams from the three zones will be compatible

h) Because of reduced operation costs per zone, commingling of the zones would allow each individual zone to be produced to a lower economic rate and would increase ultimate recovery from all zones.

i) The Morrow and the Atoka have been commingled downhole since 1974. Allocation for the Morrow and Atoka have been 70 and 30 percent respectively of the total wellstream production.

The Strawn will be flow tested during the completion. This rate and the current well rate from the Morrow and Atoka will be used to determine an allocation factor. This factor will then be forwarded to the NMOCD for review.

j) A reference map for the Mobil '12' Federal #1 well and surrounding wells has been included. A circle with a radius of approximately one mile has been drawn around this well for reference only. The direct and diagonal offset wells:

Well Name	Spot	Location	Operator
Collatt Estate Comm. #1	J	Sec. 1, T23S-R26E	Merit Energy Company
Gulf Federal Comm. #1	K	Sec. 1, T23S-R26E	Mallon Oil Company
Humble Grace Comm. #1	P	Sec. 2, T23S-R26E	Michael P. Grace
Panagra Comm. #1	B	Sec. 11, T23S-R26E	Michael P. Grace
Pan-Am State Comm. #1	J	Sec. 11, T23S-R26E	Marathon Oil
Echols Comm. #1	J	Sec. 12, T23S-R26E	Mallon Oil Company
Gulf Federal Comm. #2	L	Sec. 6, T23S-R27E	Mallon Oil Company
Stephens Comm. #1	F	Sec 7, T23S-R27E	Merit Energy Company
Stephens 'A' Comm. #1	N	Sec. 7, T23S-R27E	Merit Energy Company