

CROSS FLOW SUMMARY

- Cross flow does not necessarily equate to loss of reserves. Loss depends upon what fluid(s) is flowing into what zone and what the abandonment pressure of each zone will be with commingling versus without commingling.
 1. Dry gas flowing into a gas reservoir results in little to no loss.
 2. Dry gas flowing into an oil reservoir results in very minor gas loss, but some gain in oil production. (Gas Drive Huff & Puff).
 3. Oil flowing into an oil zone results in little to no loss.
 4. Oil flowing into a gas zone for the first time results in $\pm 43\%$ loss.
 5. Oil flowing into a gas zone previously saturated with oil results in little to no loss.
- Commingling, even with potential shut in, recovers significant additional reserves. (Shown by example calculation on prior exhibit.)
- The probability of both shut in and cross flow decreases with time as producing rate declines.
- The expected producing rates are low, and the potential cross flow rates are even lower. Furthermore, as the wells are produced, the pressures in the commingled zones will approach a common value; therefore the magnitude of any cross flow will continue to decline with time.

EXXON CORP.

Exhibit No. 21

Case No. 9398 & 9399

June 8, 1988 Docket