

The Collier No. 1 is currently producing 10 BOPD from the Penn formation.  
Therefore, production of over 10 BOPD will be allocated to the  
production from the Mississippian formation.

Enserch Exploration, Inc. is the operator of all offsetting production and  
has 100 percent Working Interest in the subject well.

The Mississippian and Pennsylvanian formations have a common royalty  
interest.