

Data Sheet For Proposed Surface Commingling
 Shipp 34 Battery
 SW/4, Sec. 34, T-16-S, R-37-E
 Lea County, New Mexico

Note: It is proposed that production from the Lovington (Paddock) and Knowles, W. (Drinkard) Field be commingled prior to metering. They will be metered prior to commingling with the Casey (Strawn) production. Production will be allocated between the Lovington (Paddock) Field and the Knowles, W. (Drinkard) Fields based on well tests.

<u>Lovington (Paddock) (Shipp 34-2) Estimated Rates</u>	<u>Knowles, W. (Drinkard) (Shipp 34-1)</u>	<u>Casey (Strawn) (Shipp 34-3) (Shipp 34-4)</u>	
32.8° API	36.2	44.3	Gravity @ 60° F.
16 BOPD	13	400	Daily Oil Volume
0 BWPD	0	25	Daily Water Volume
6 MCFPD	18	450	Daily Gas Volume *
264	215	6600	Estimated Value of Commingled Liquid \$ Per Day

44° API Estimated - Expected Gravity of Commingled Liquid

\$7079 - Expected Value of Commingled Liquid

* Gas will be commingled in Lovington (Paddock) and Knowles, W. (Drinkard) Field and allocated monthly based on well tests. Gas from the Casey Strawn is sold separately.