

NOTICE OF ASSIGNMENT OF ALLOWABLE TO A GAS WELL

The operator of the following well has complied with all the requirments of the Oil Conservation Division and the well is hereby assigned an allowable as shown below.

Date of Connection8/25/99

Date of First Allowable or Allowable Change8/25/99

PurchaserDynergy Midstream Service

PoolEumont 4-5B-2A

OperatorVerde Oil & Gas Corp

LeaseHorse Hall State

Well No.* 3

Unit LetterR

Sec.20

Twn.20S

Rge.36E

Dedicated Acreage160

Revised Acreage

Difference

Acreage Factor1.00

Revised Acreage Factor

Difference

Deliverability

Revised Deliverability

Difference

A x D Factor

Revised A x D Factor

Difference

* New Well - PU is SW/4

OCD Dist. No. I

CALCULATION OF SUPPLEMENTAL ALLOWABLE

Previous Status Adjustments.....

MO.	PREV. ALLOW.	REV. ALLOW.	PREV. PROD.	REV. PROD.	REMARKS
Apr					
May					
Jun					
Jul					
Aug					
Sep					
Oct					
Nov					
Dec					
Jan					
Feb					
Mar					
Apr					
May					
Jun					
Jul					
Aug					
Sep					
Oct					
Nov					
Dec					
Jan					
Feb					
Mar					

TOTALS

Allowable Production Difference.....

Schedule O/U Status.....

Revised O/U Status.....

Effective In

Current Classification

Schedule

To