McDONALD STATE A/C 1 COM NO. 5
BASIS OF PRODUCTION PROJECTION

The production projection was based on decline curve analysis using Aries PC program and the following parameters:

<u>Gas</u>:

Start of history match:	November 1994
End of history match:	November 1995
Projection method:	Auto fit using exponential decline
Economic limit:	600 MCFPM
Bad data removed:	None

<u>Oil</u>:

No oil forecast, dry gas well.

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