

- (e) A production decline curve for both zones showing that for a period of at least one year a steady rate of decline has been established for each zone which will permit a reasonable allocation of the commingled production to each zone for statistical purposes. (This requirement may be dispensed with in the case of a newly completed or recently completed well which has little or no production history. However, a complete resume of the well's completion history including description of treating, testing, etc. of each zone, and a prognostication of future production from each zone shall be submitted.)

Production Decline Curves for each zone. See Attachment No. 2.

- (f) Estimated bottom-hole pressure for each artificially lifted zone. A current (within 30 days) measured bottom-hole pressure for each zone capable of flowing.

Estimated BHP -

All zones on pump:

Drinkard	50 psig
Blinebry	50 psig
Penrose-Skelly-Grayburg	50 psig.

- (g) A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the well-bore.

Fluids compatible as evidenced by Petro-Lewis State "DC" Lease, S/2 NW/4 Section 19, T-21-S, R-37-E, Lea County, New Mexico. Original Commingling Order PC-435 (See Attachment No. 3) by Amerada Hess Corporation, March 6, 1972 for Blinebry, Drinkard, Paddock and Penrose-Skelly-Grayburg Pools. Blinebry and Drinkard oil is 34.4° API at 58° Fahrenheit; Penrose-Skelly-Grayburg oil is 35.3° API at 78° Fahrenheit.

- (h) A computation showing that the value of the commingled production will not be less than the sum of the values of the individual streams.

Blinebry - sweet crude - 1.4 Barrels per Day - \$28.96
per barrel current price
Drinkard - sweet crude - 3.25 Barrels per Day - \$28.96
per barrel current price
Penrose-Skelly-Grayburg sour crude - 29 Barrels per Day -
\$26.28 per barrel current price.