

- A. Operator:
Sohio Petroleum Company
10 Desta Drive, Suite 600 West
Midland, Texas 79705
- B. Lease:
Hinton "14" Well No. 8 (Drinkard & Wantz Granite Wash Pools)
Unit J, Sec 12, T-22-S, R-37-E
Lea County, New Mexico
- C. The well is completed in the Drinkard and Wantz Granite Wash Pools as a temporary single completion by verbal authority while treatment load oil was being recovered. See attachment No. 1.
- D. The C-116 for the two zones is included as Attachment No. 2.
- E. The Hinton "14" - No. 8 is a newly completed well and has no production history. A detailed history is included as Attachment No. 3 and gives completion and treatment information. The expected future production is included as Attachment No. 4.
- F. Bottom Hole Pressure Data:
No BHP's are available. The two zones must be artificially lifted and the Drinkard and Granite Wash Formations are believed to exhibit similar BHP's of approximately 1300 psi to 1400 psi.
- G. Fluid Characteristics:
There is no evidence of fluid incompatibility. Sohio's Hinton "12" No. 13 (Unit L, Sec 12, T-22-S, R-37-E) is already downhole commingled in the Drinkard and Wantz Granite Wash Pools as is Sun's Walter Lynch No. 2L in Unit L, Sec 1, T-22-S, R-37-E and Gulf's Hugh No. 10 in Unit C, Sec 14, T-22-S, R-37-E.
- H. Value of Commingled Fluids:
Since Drinkard and Granite Wash production is already surface commingled as per Administrative Order PC-485, the value of both crudes will not be affected by downhole commingling in the Hinton "14" - No. 8.
- I. Allocation Formulas:

$$X = (Y/Z) (100)$$

where X = percent allocation of commingled production to desired zone

Y = latest daily oil rate of desired zone, BOPD

Z = total combined Drinkard and Wantz Granite Wash daily oil rate, BOPD