

RULE 303-C-2 INFORMATION (cont'd):

(I) Formula for Allocation:

Based on current well test, the Drinkard formation is allocated 22% for Oil and 46% for Gas. The Blinebry is allocated 78% for Oil and 63% for Gas.

	BOPD		TOTAL COMMINGLED PRODUCTION		PERCENT
Drinkard Oil	11	÷	50	=	22%
Blinebry Oil	39	÷	50	=	78%
(Total BOPD divided by Total Commingled Production Per Day					= % Allocated

	MCFPD		TOTAL COMMINGLED PRODUCTION		PERCENT
Drinkard Gas	97	÷	210	=	46%
Blinebry Gas	133	÷	210	=	63%

- (J) All offset operators have been notified by copy of the attached letter:
American Petrofina Co., P. O. Box 2159, Dallas Texas 75221
Marathon Oil Company, P. O. Box 552, Midland , Texas 79702
Texaco, Inc., P. O. Box 52332, Houston, Texas 77052
Gulf Oil Corporation, P. O. Box 2063, Houston, Texas 77252