

- c) Plat of area attached (attachment No. 1, 2, 3).
- d) Form C-116 for the Wantz Granite Wash completion attached (attachment No. 4).
Form C-116 for the Wantz Abo completion attached; zone is shut-in, never commercially produced (attachment No.5).
- e) Production curve showing the total production from the Wantz Granite Wash zone (attachment No. 6). Also production test performed on the Wantz Abo zone which is shut-in (attachment No. 7). Also attached is a wellbore diagram with well history showing the current and proposed wellbore configurations (attachments 8 and 9, respectively).
- f) Estimated BHP each zone:
 - 1. Wantz Abo - 1100 psi
 - 2. Wantz Granite Wash - 730 psi
- g) In reference to the GOR test data, the oil production will come mainly from the Granite Wash with the gas production predominant in the ABO. The small amount of water produced in the Granite Wash zone should not effect the Abo zone, as the Abo zone in certain areas is known to produce small amounts of water, so commingling of the produced hydrocarbons should not produce any adverse effects.
- h) As previously stated in the body of the letter if commingling is approved, production from the Granite Wash zone will be gained versus being temporarily abandoned and not produced at all.

The integrity of value of produced hydrocarbons should not be altered by commingling production. Therefore, the same market price should be obtained as if both zones were produced individually.

- i) Production taken from latest GOR test shows:

	<u>Oil (BBLS)</u>	<u>Gas (MCF)</u>
Wantz Abo	0	550
Wantz Granite Wash	4	35
Total	<u>4</u>	<u>585</u>

Therefore the allocated percentages should be:

	<u>Oil (%)</u>	<u>Gas (%)</u>
Wantz Abo	0	94
Wantz Granite Wash	<u>100</u>	<u>6</u>
	100	100