REQUIREMENTS FOR DCWN-HOLE COMMINGLING APPLICATION

- Current 24 hour productivity test for both wells on commission Form C-116 are attached. The Justis Tubb Drinkard zone in Well No. 3 is temporarily abandoned.
- Production decline curves and a completion history for each well are attached. It is recommended that the production for each zone from each well be allocated as follows:

State "L" Well No. 3Justis Blinebry:0il 77%Justis Tubb Drinkard:0il 23%Gas 44%State "L" Well No. 4Justis Blinebry:0il 68%Gas 50%Justis Tubb Drinkard:0il 32%Gas 50%

- 3. The bottom hole pressure for the Justis Blinebry and Justis Tubb Drinkard zones are estimated to be 500 psi (-2271) and 600 psi (-2871) respectively.
- 4. Results of water analyses for both zones are attached.
- 5. The gravity of the individual oil samples from the Justis Blinebry and Justis Tubb Drinkard zones are both 37 API, therefore, the value of the commingled production should increase as a result of resuming production from the Tubb Drinkard zone in both wells.