

Annual CashFlow Report

Project: c:\program files\ihs energy\powertools v8.0\projects\ricky.mdb

Lease Name: RICKY (1)

Operator: COLEMAN OIL & GAS INCORPORATED

County, ST: SAN JUAN, NM

Field Name: BASIN

Location: 18 26N 11W SE NW NW

Reserve Type/Class: Proved/Developed, Producing

Date	Well Count	Gross Production		Net Production		Average Prices		Sales Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
12/2007	1	0	27,475	0	21,980	0.00	5.26	115,615
12/2008	1	0	33,414	0	26,731	0.00	5.26	140,606
12/2009	1	0	30,072	0	24,058	0.00	5.26	126,545
12/2010	1	0	27,065	0	21,652	0.00	5.26	113,890
12/2011	1	0	24,359	0	19,487	0.00	5.26	102,501
12/2012	1	0	21,923	0	17,538	0.00	5.26	92,251
12/2013	1	0	19,731	0	15,784	0.00	5.26	83,026
12/2014	1	0	17,757	0	14,206	0.00	5.26	74,724
12/2015	1	0	15,982	0	12,785	0.00	5.26	67,251
12/2016	1	0	14,384	0	11,507	0.00	5.26	60,526
12/2017	1	0	12,945	0	10,356	0.00	5.26	54,473
12/2018	1	0	11,651	0	9,321	0.00	5.26	49,026
12/2019	1	0	10,486	0	8,388	0.00	5.26	44,124
12/2020	1	0	9,437	0	7,550	0.00	5.26	39,711
12/2021	1	0	8,493	0	6,795	0.00	5.26	35,740
Remainder:		0	61,769	0	49,415	0.00	5.26	259,926
Grand Total:		0	346,943	0	277,554	0.00	5.26	1,459,935

Date	Operating Expenses (\$)	Taxes (\$)	Operating Income (\$)	Other Costs (\$)	Periodic Cash Flow (\$)	Cumulative Cash Flow (\$)	10% Cash Flow (\$)
12/2007	4,500	9,180	101,935	60,000	41,935	41,935	38,034
12/2008	6,000	11,164	123,441	0	123,441	165,376	109,279
12/2009	6,000	10,048	110,497	0	110,497	275,874	88,928
12/2010	6,000	9,043	98,848	0	98,848	374,721	72,320
12/2011	6,000	8,139	88,363	0	88,363	463,084	58,773
12/2012	6,000	7,325	78,927	0	78,927	542,011	47,724
12/2013	6,000	6,592	70,434	0	70,434	612,445	38,717
12/2014	6,000	5,933	62,790	0	62,790	675,235	31,378
12/2015	6,000	5,340	55,911	0	55,911	731,146	25,401
12/2016	6,000	4,806	49,720	0	49,720	780,867	20,535
12/2017	6,000	4,325	44,148	0	44,148	825,015	16,576
12/2018	6,000	3,893	39,133	0	39,133	864,148	13,358
12/2019	6,000	3,503	34,620	0	34,620	898,769	10,743
12/2020	6,000	3,153	30,558	0	30,558	929,327	8,621
12/2021	6,000	2,838	26,902	0	26,902	956,229	6,900
Remainder:	94,000	20,638	145,287	0	145,287	1,101,516	24,410
Grand Total:	182,500	115,919	1,161,516	60,000	1,101,516	1,101,516	611,697

Discount Present Worth:

0.00 %	1,101,516
10.00 %	611,697
20.00 %	416,540
30.00 %	314,376
40.00 %	251,799
50.00 %	209,523
60.00 %	179,008
70.00 %	155,911
80.00 %	137,794
90.00 %	123,183
100.00 %	111,134

Economic Dates:

Effective Date	04/2007
Calculated Limit	08/2037
Economic Life	365 Months
	30 Years 5 Months
Economics Information:	
Net Payout Date:	09/2007
Rate of Return:	>100 %
Return on Investment:	19.36
Disc Return on Invest:	11.19
Initial Division of Interest:	

Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	0	751,532
Historic Gross	0	401,400
Gross at Eff Date	0	404,589
Remaining Gross	0	346,943
Remaining Net	0	277,554

BTU Content: 1.000 mmbtu/mcf
Gravity: Oil: 28.00 Gas: 0.800

	NRI	ORI
Oil:	80.000000	0.000000
Gas:	80.000000	0.000000
Injection:	0.000000	0.000000

Reversion Date: None

Before the Oil Conservation Division

Exhibit No. 2

PRO NM

OCD CASE 13894

Hearing: May 24, 2007