EXHIBIT NO. 20

FIVE LAKES CANYON TIGHT GAS AREA
PICTURED CLIFF FORMATION

Calculation of Formation Permeability Using Darcy's Law

Darcy's Law: $Qg = .703\ kh \dfrac{(Pe^2 - Pwf^2)}{Ug\ T\ Z\ \ln\ (.61\ re/rw)}$

or $k = \dfrac{Qg\ Ug\ T\ Z\ \ln\ (.61\ re/rw)}{.703\ h\ (Pe^2 - Pwf^2)}$

where:

k = permeability of formation - millidarcies
Qg = gas flowrate, scf/day - average of 16,500 scf/day for 6 natural production tests
Ug = average gas viscosity - calculated to be 0.011 centipoise
T = bottom hole temperature - 100°F - 560°R
Z = average gas compressibility factor - calculated to be 0.927
re = drainage radius for 160 acre spacing - 1489 feet
rw = wellbore radius - 0.20 feet
h = net pay height - average of 41 feet for the 6 natural production test wells in the tight gas area
Pe = bottom hole pressure at drainage radius re - average of 797 psi for all wells in the tight gas area
Pwf = flowing bottom hole pressure - assumed equal to atmospheric pressure for maximum flowrate - 12.2 psi surface, 13.0 psi bottomhole
Gg = gas gravity - .7 - used for calculations of Ug and Z
Pc = pseudo critical pressure - 688 psi used for calculation of Ug and Z
Tc = pseudo critical temperature - 392°R used for calculation of Ug and Z

$$k = \frac{(16{,}500)\ \ (0.011)\ \ (560)\ \ (0.927)\ \ \ln\ (.61\ \ 1489/0.20)}{.703\ \ (41)\ \ (797^2 - 13.0^2)}$$

k = 0.04 millidarcy