

**EXHIBIT 8**

**WOOD #2**  
SW/NE 35-30N-11W  
MONTHLY GAS PRODUCTION ALLOCATION FORMULA

GENERAL EQUATION

$$Q_t = Q_{ftc} + Q_{pc}$$

WHERE:      $Q_t$      =     Total Monthly Production (Mcf / Month)  
               $Q_{ftc}$    =     Fruitland Coal (ftc) Monthly Production (Mcf / Month)  
               $Q_{pc}$    =     Pictured Cliffs (pc) Monthly Production (Mcf / Month)

Rearranging the Equation to Solve for  $Q_{ftc}$ :

$$Q_{ftc} = Q_t - Q_{pc}$$

Any Production Rate Over What is Calculated for the Pictured Cliffs ( $Q_{pc}$ ), Using the Applied Formula is Fruitland Coal Production ( $Q_{ftc}$ ).

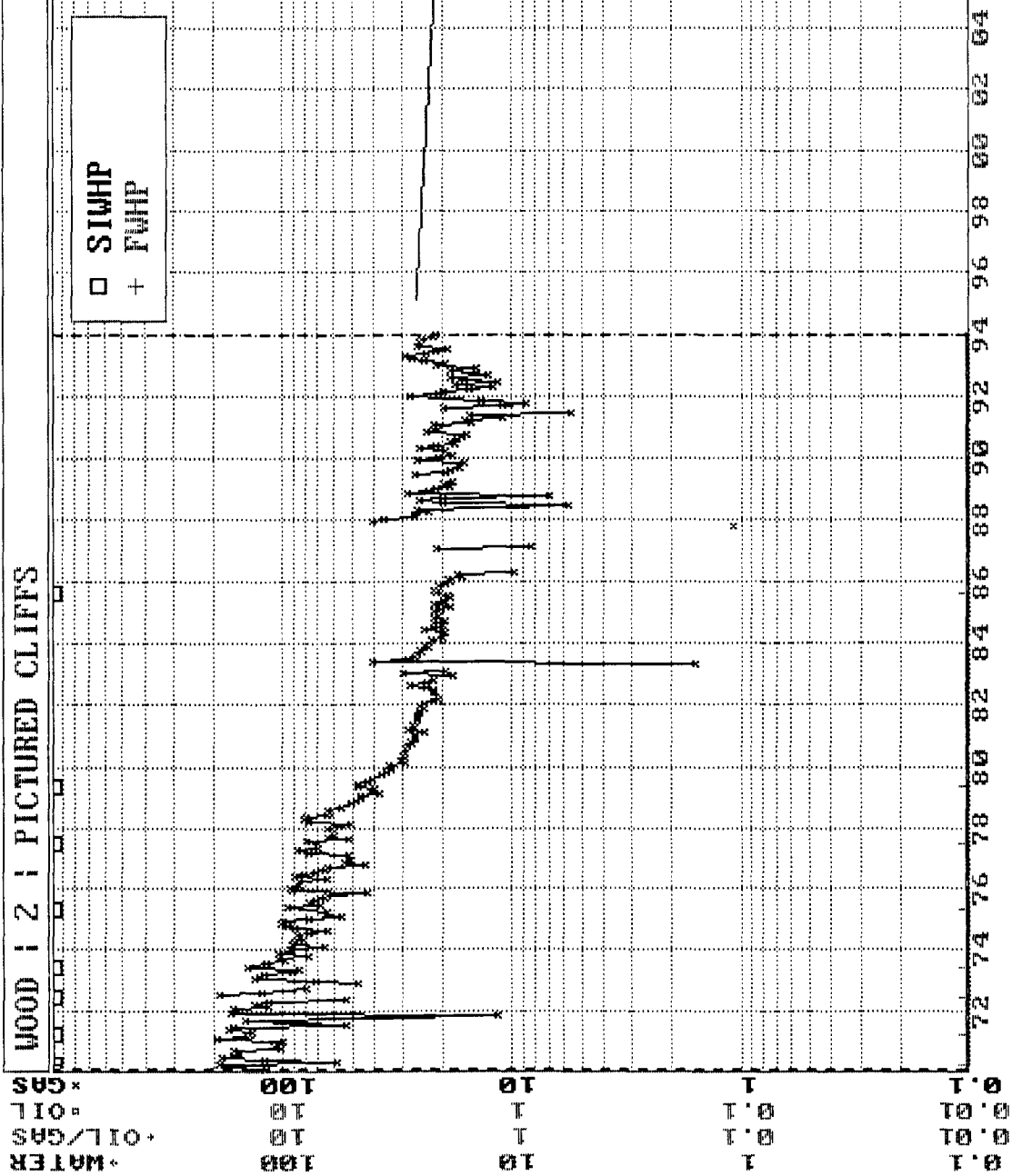
The Pictured Cliffs ( $Q_{pc}$ ) Formation Production Formula is:

$$Q_{pc} = Q_{pci} \times e^{\{-(D_{pc}) \times (t)\}}$$

WHERE:      $Q_{pci}$    =     Pictured Cliffs Initial Monthly Rate = **815 Mcf/M** (Determined from the attached decline curve)  
  
               $D_{pc}$    =     Pictured Cliffs Monthly Decline Rate Calculated from Decline Curve and Material Balance Analysis:  
  
               $D_{pc}$    =     **(0.0015/M)**

THUS:      $Q_{ftc} = Q_t - Q_{pci} \times e^{\{-(0.0015) \times (t)\}}$

NOTE:      $(t)$  is in Months



Prop 23	
<input checked="" type="radio"/> *GAS Mcf/d	
<input type="radio"/> *OIL Bbl/d	
<input type="radio"/> *OIL/GAS	
<input type="radio"/> *WATER Bbls/d	
EUR	1,529,732
Cum	1,191,965
Rem	337,767
Rem%	22.1%
Yrs	55.25
Date	1/1/1995
Act	0
Qmo	815
Q	26.3
n	0
De	1.761
Qab	10
GetQual	HEARING
Major = GAS	