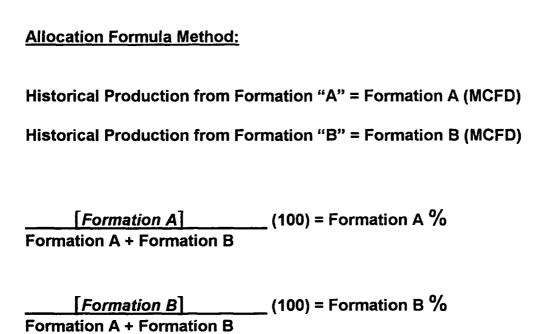
Exhibit 8

PRODUCTION ALLOCATION FORMULA USING HISTORICAL PRODUCTION

Commingle



PRODUCTION ALLOCATION FORMULA USING PITOT GAUGES

San Juan 32-9 Unit #47A (PC/Mesaverde)Commingle Unit D, NW/4, 04-T31N-R09W San Juan County, New Mexico

Allocation Formula Method:

Pitot gauge from Pictured Cliffs formation = <u>264 MCFD</u>

Pitot gauge from Pictured Cliffs and Mesaverde formation = 1236 MCFD

[(PC & MV) 1236 MCFD - (PC) 264 MCFD] = (MV) % Mesaverde 79% (PC & MV) 1236 MCFD

<u>(PC) 264 MCFD</u> = (PC) % <u>Pictured Cliffs 21%</u> (PC & MV) 1234 MCFD