Date: 7/14/1998 Time: 9:42 AM

Annual CashFlow Report

Project: F:\PTOOLS\UNIONTX1.MDB

Lease Name:	UNION TEXAS STATE (1)	Field Name:	TURKEY TRACK (MORROW) PM
County, ST:	EDDY, NM	Operator:	SOUTHWEST ROYALTIES INC
Location:	19S-29E-17		

Date	Well Count	Gross Production Oil (Bbl)	Gross Production Gas (Mcf)	Net Production Oil (Bbl)	Net Production Gas (Mcf)	Average Prices Oil ($/Bbl)	Average Prices Gas ($/Mcf)	Sales Total ($)
12/98	1	142	40,808	116	33,463	20.00	2.00	69,250
12/99	1	389	117,974	319	96,739	20.00	2.00	199,864
12/00	1	341	111,582	279	91,497	20.00	2.00	188,583
12/01	1	298	105,536	244	86,540	20.00	2.00	177,969
12/02	1	261	99,818	214	81,851	20.00	2.00	167,980
12/03	1	228	94,410	187	77,416	20.00	2.00	158,576
12/04	1	200	89,294	164	73,221	20.00	2.00	149,719
12/05	1	175	84,456	143	69,254	20.00	2.00	141,375
12/06	1	153	79,880	125	65,502	20.00	2.00	133,512
12/07	1	134	75,552	110	61,953	20.00	2.00	126,100
12/08	1	117	71,458	96	58,596	20.00	2.00	119,112
12/09	1	102	67,587	84	55,421	20.00	2.00	112,522
12/10	1	90	63,925	74	52,418	20.00	2.00	106,307
12/11	1	78	60,461	64	49,578	20.00	2.00	100,443
12/12	1	69	57,185	56	46,892	20.00	2.00	94,909
Remainder:		476	856,162	390	702,054	20.00	2.00	1,411,915
Grand Total:		3,253	2,076,089	2,668	1,702,394	20.00	2.00	3,458,138

Date	Operating Expenses ($)	Taxes ($)	Operating Income ($)	Other Costs ($)	Periodic Cash Flow ($)	Cumulative Cash Flow ($)	10.00 % Cash Flow ($)
12/98	4,000	5,211	60,039	0	60,039	60,039	58,864
12/99	12,000	15,041	172,823	0	172,823	232,863	159,133
12/00	12,000	14,194	162,389	0	162,389	395,252	135,932
12/01	12,000	13,397	152,573	0	152,573	547,824	116,105
12/02	12,000	12,646	143,334	0	143,334	691,158	99,158
12/03	12,000	11,940	134,636	0	134,636	825,795	84,674
12/04	12,000	11,274	126,445	0	126,445	952,239	72,293
12/05	12,000	10,647	118,728	0	118,728	1,070,967	61,710
12/06	12,000	10,055	111,456	0	111,456	1,182,423	52,664
12/07	12,000	9,498	104,602	0	104,602	1,287,025	44,933
12/08	12,000	8,972	98,140	0	98,140	1,385,165	38,324
12/09	12,000	8,477	92,046	0	92,046	1,477,211	32,677
12/10	12,000	8,009	86,298	0	86,298	1,563,509	27,851
12/11	12,000	7,568	80,875	0	80,875	1,644,384	23,728
12/12	12,000	7,151	75,758	0	75,758	1,720,142	20,207
Remainder:	420,000	106,423	885,492	0	885,492	2,605,635	111,382
Grand Total:	592,000	260,504	2,605,635	0	2,605,635	2,605,635	1,139,637

Discount Present Worth:

0.00 %	2,605,634
10.00 %	1,139,637
20.00 %	736,697
30.00 %	553,966
40.00 %	449,821
50.00 %	382,442
60.00 %	335,197
70.00 %	300,176
80.00 %	273,136
90.00 %	251,596
100.00 %	234,011

Economic Dates:

Effective Date	09/1998
Calculated Limit	12/2047
Economic Life	592 Months
	49 Years 4 Months

Economics Information:

Payout:	09/1998
Rate of Return:	>100 %
Return on Investment:	0.00

Initial Division of Interest:

			NRI
WI:	100.000000	Oil:	82.000000
		Gas:	82.000000
Reversion Date:	None	User:	82.000000

Economics Summary:

	Bbl Oil	Mcf Gas
Ultimate Gross	67,421	7,289,735
Cumulative Gross	64,168	5,213,645
Remaining Gross	3,253	2,076,090
Remaining Net	2,668	1,702,392

EXHIBIT
CASE 11925
SW Roy #12