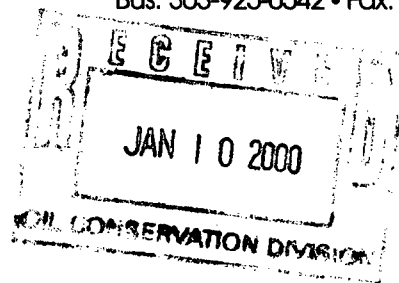




GREYSTONE ENERGY, INC.

9155 E. Nichols Ave., Suite 350 • Englewood, CO 80112

Bus: 303-925-0542 • Fax: 303-925-0543



January 4th, 2000

Ms. Lori Wrotenberry
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RE: Administrative Approval to Downhole Commingle
Greystone Energy, Inc.
Starr 1M MV / DK
990' FNL, 1850' FWL, Sec.13, T31N, R13W, N.M.P.M.
San Juan County, New Mexico

Dear Ms. Wrotenberry:

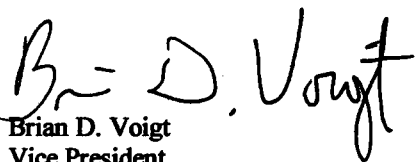
Greystone Energy, Inc. requests to downhole commingle the Blanco Mesaverde and the Basin Dakota pools in the subject well. The well is currently producing as a Dakota / Mesaverde dual completion. The well does exhibit signs of liquid loading problems and it is felt that downhole commingling will eliminate excessive operational problems. It will allow the energy from both formations to assist in lifting liquids. The removal of liquid accumulation will increase overall gas production.

To comply with the New Mexico Oil Conservation Rules, Greystone Energy, Inc. is submitting the following data for your approval of the proposed commingling:

1. Form C-107A – Application for Downhole Commingling
2. Form C-102 – Location Plat showing each spacing unit and dedicated acreage
3. Production Curves for both the Dakota and Mesaverde
4. Working and Royalty Interest owner notification list
5. Bottom hole pressure data

If you are an interest holder and require additional information, please contact me.

Sincerely,


Brian D. Voigt
Vice President

CC: NMOCD-Aztec, BLM – Farmington, Interest Holders

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First St., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410
DISTRICT IV
2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

Form C-107-A
Revised August 1999

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Greystone Energy, Inc.

5802 Highway 64, Farmington, NM 87401

Operator

Address

Starr

1M

N - 13- 31N - 13W

San Juan

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 173252 Property Code 24077 API NO. 30-045-2432000 Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Mesaverde / 72319		Basin Dakota / 71599
2. Top and Bottom of Pay Section (Perforations)	4447' - 4714'		6612' - 6715'
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 410 PSI b. (Original) 800 PSI	a. b.	a. 610 PSI b. 1300 PSI
6. Oil Gravity (EAPI) or Gas BTU Content	1137		1183
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	YES		YES
* If Shut-In, give date and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 06/10/99 Rates: 50 MCFD / 0.25 BOPD	Date: Rates:	Date: Rates:
	Date: Rates:	Date: Rates:	Date: 11/30/99 Rates: 160 MCFD / 0 BOPD
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 55% Gas: 49 %	Oil: % Gas: %	Oil: 45 % Gas: 51 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☐ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ☒ Yes ☐ No

11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☒ Yes ☐ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No

13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). _____

16. ATTACHMENTS:

- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Brian D. Voigt TITLE VP DATE 1/4/00

TYPE OR PRINT NAME Brian D. Voigt TELEPHONE NO. (505) 632 - 8056

NEW MEXICO OIL CONSERVATION COMMISSION
Well Location and Acreage Dedication Plat

Section A.

Date JUNE 15

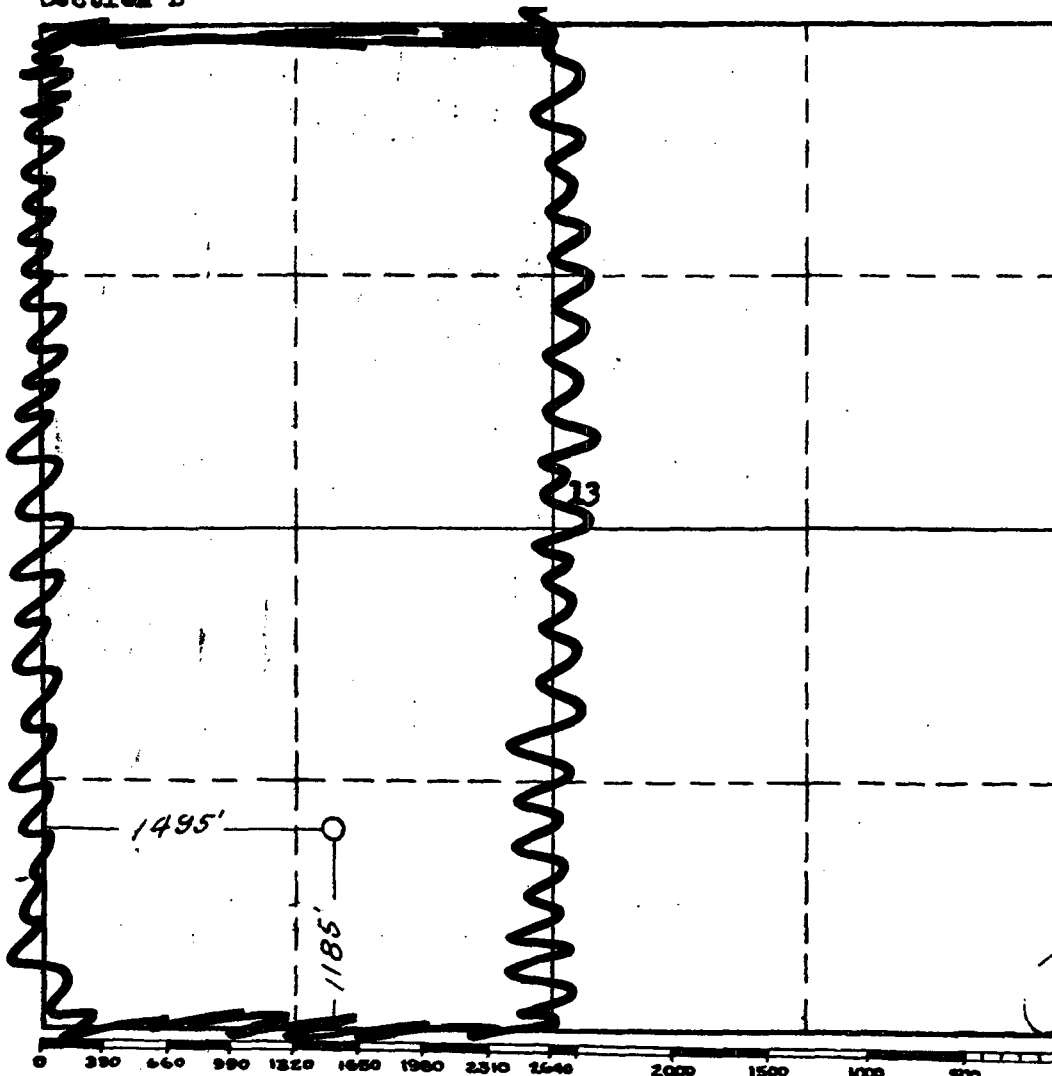
Operator COLORADO WESTERN EXPLORATION CO. Lease GOVERNMENT - STARR
Well No. 1-13 Unit Letter 1185 Section 13 Township 31 NORTH Range 13 WEST, NMPM
located 1185 Feet From the SOUTH Line, 1495 Feet From the WEST Line
County SAN JUAN G. L. Elevation 5786.0 Dedicated Acreage 320 - w 1/2 Acres
Name of Producing Formation DAKOTA Pool WILDCAT

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No .
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes No . If answer is "yes," Type of Consolidation
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

SOUTHERN UNION GAS COMPANY

(Operator)
BY COLORADO WESTERN EXPLORATION INC.

(Representative)
BY J. P. Leese, President

312 U.S. NATIONAL Bk Bldg
Address
DENVER

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed 30 MAY 1957

James P. Leese
Registered Professional
Engineer and/or Land Surveyor.

James P. Leese

Certificate No. 1263

(See instructions for completing this form on the reverse side)

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

RECEIVED

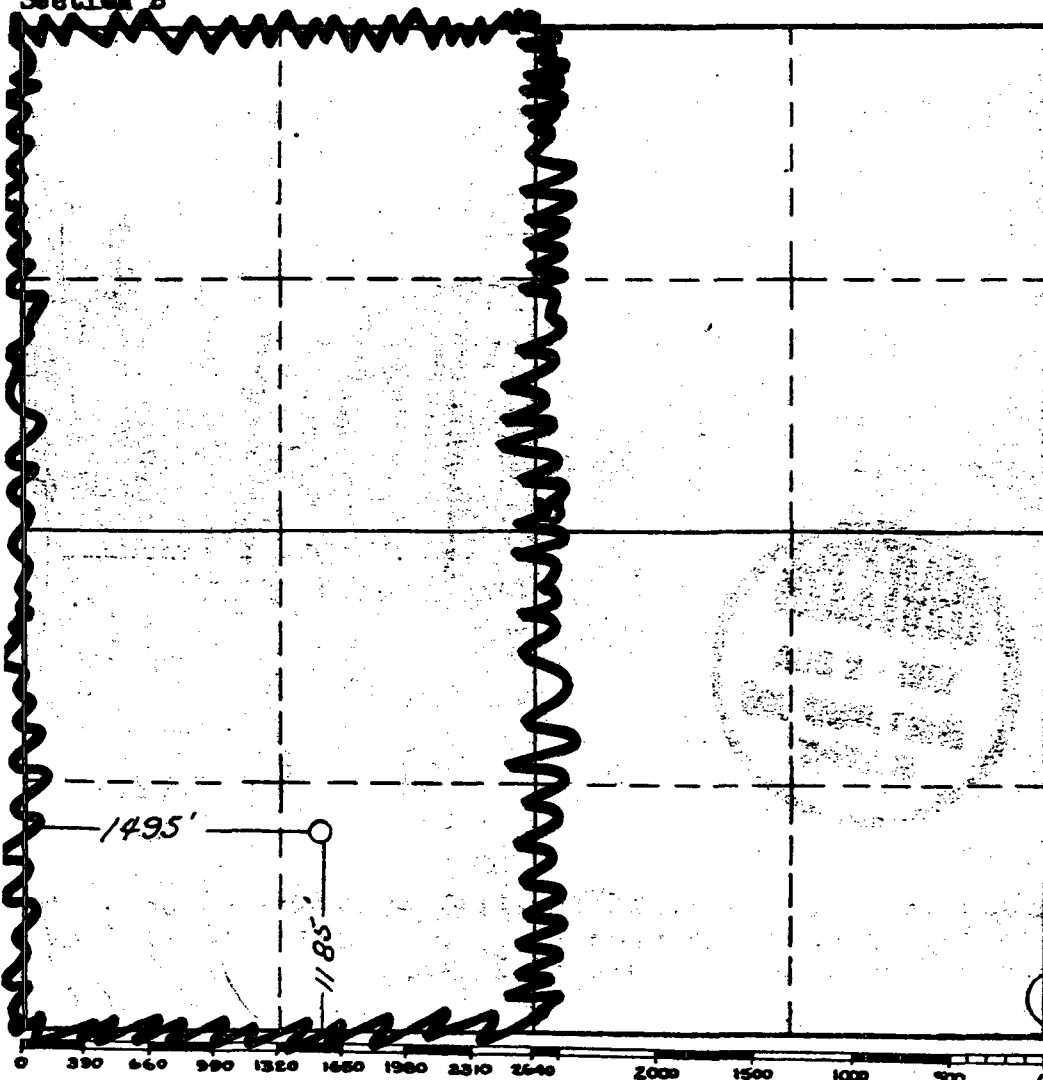
Section A 1-13 Date JUNE 15, 1957
Operator COLORADO WESTERN EXPLORATION CO. Lease GOVERNMENT - STARR
Well No. 1-13 Unit Letter Section 13 Township 31 NORTH Range 13 WEST NMPM
Located 1185 Feet From the SOUTH Line, 1495 Feet From the WEST Line
County SAN JUAN G. L. Elevation 5785.0 Dedicated Acreage 1.185 Acres
Name of Producing Formation MESA VERDE Pool BLANCO

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes ☒ No ☐
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes ☐ No ☐. If answer is "yes," Type of Consolidation
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

SOUTHERN UNION GAS COMPANY
by COLORADO WESTERN EXPLORATION CO.
(Operator)

by J. H. Whellock
(Representative)
312 U.S. National Bank Bldg
DENVER Colorado
Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed 19 MAY 1957

James P. Leese
Registered Professional
Engineer and/or Land Surveyor.
James P. Leese

Certificate No. 1463

(See instructions for completing this form on the reverse side)

Starr 1M MV / DK

Fixed Percentage Allocation Formula

	<table><tr><th>Oil (Barrels)</th><th>%</th></tr></table>	Oil (Barrels)	%	<table><tr><th>Gas (MCF)</th><th>%</th></tr></table>	Gas (MCF)	%
Oil (Barrels)	%					
Gas (MCF)	%					
Mesaverde Formation	3,208 55%	522,489 49%				
Dakota Formation	2,667 45%	535,126 51%				
	5,875 100%	1,057,615 100%				

Based on production through October - 1999

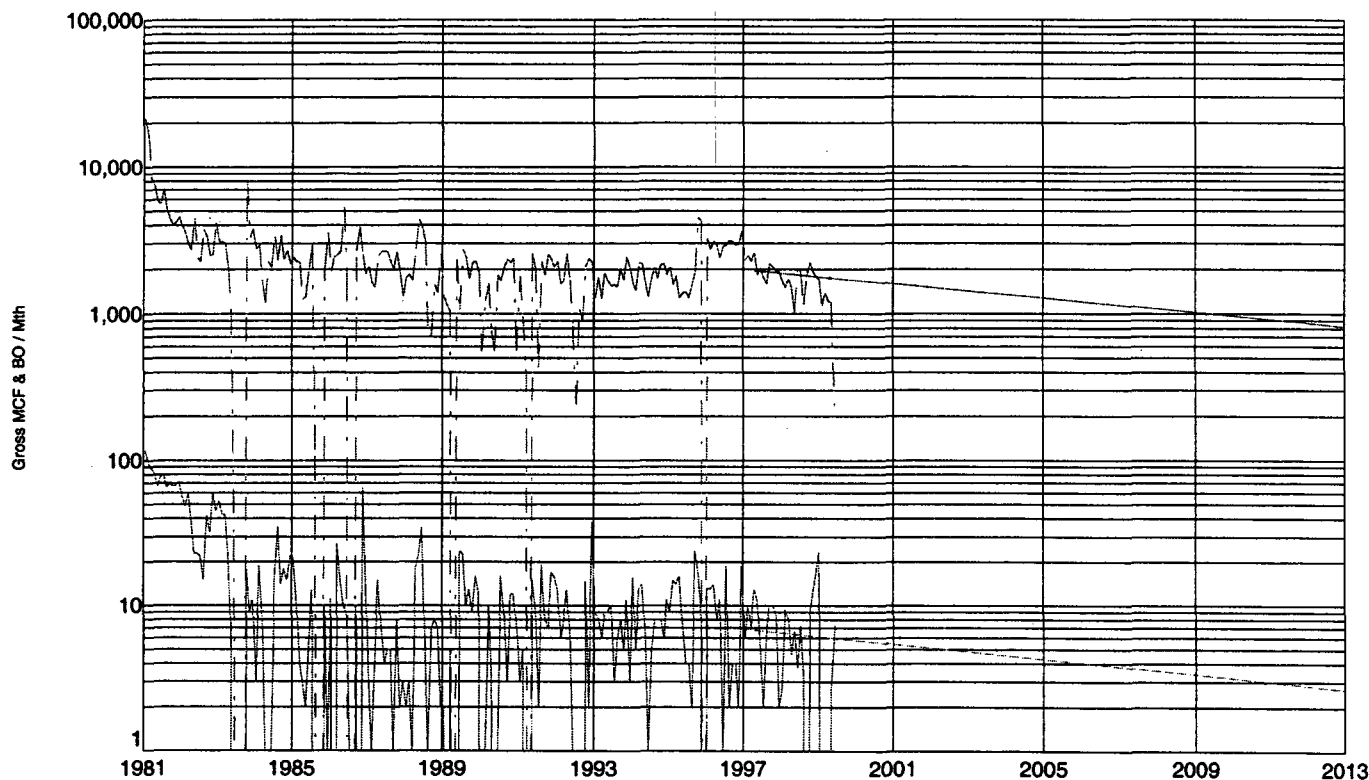
Last Twelve Months Historic Production Report

Project: C:\Program Files\IHS Energy\PTools35\PROJECTS\Reserves\New Case\Reversion\Pdpmdb

Lease Name: STARR (1M)
 County, ST: SAN JUAN, NM
 Location: 31N-13W-13

Field Name: BLANCO (MESAVERDE) MV
 Operator: CHATEAU OIL & GAS INC

STARR-1M-BLANCO (MESAVERDE) MV



Date	Well Count	Oil (bbl)	Gas (mcf)	Water (bbl)	Injection (bbl)
Previous		3,126	504,743	682	
07/1998	1	7	1,940	0	
08/1998	1	3	1,150	0	
09/1998	1	0	1,812	0	
10/1998	1	9	2,249	0	
11/1998	1	12	1,939	0	2,246
12/1998	1	17	1,796	0	2,935
01/1999	1	24	1,715	0	2,515
02/1999	1	0	1,129	0	1,704
03/1999	1	0	1,394	0	
04/1999	1	0	1,222	0	
05/1999	1	3	1,205	0	
06/1999	1	7	195	0	
Total:		3,208	522,489	682	9,400

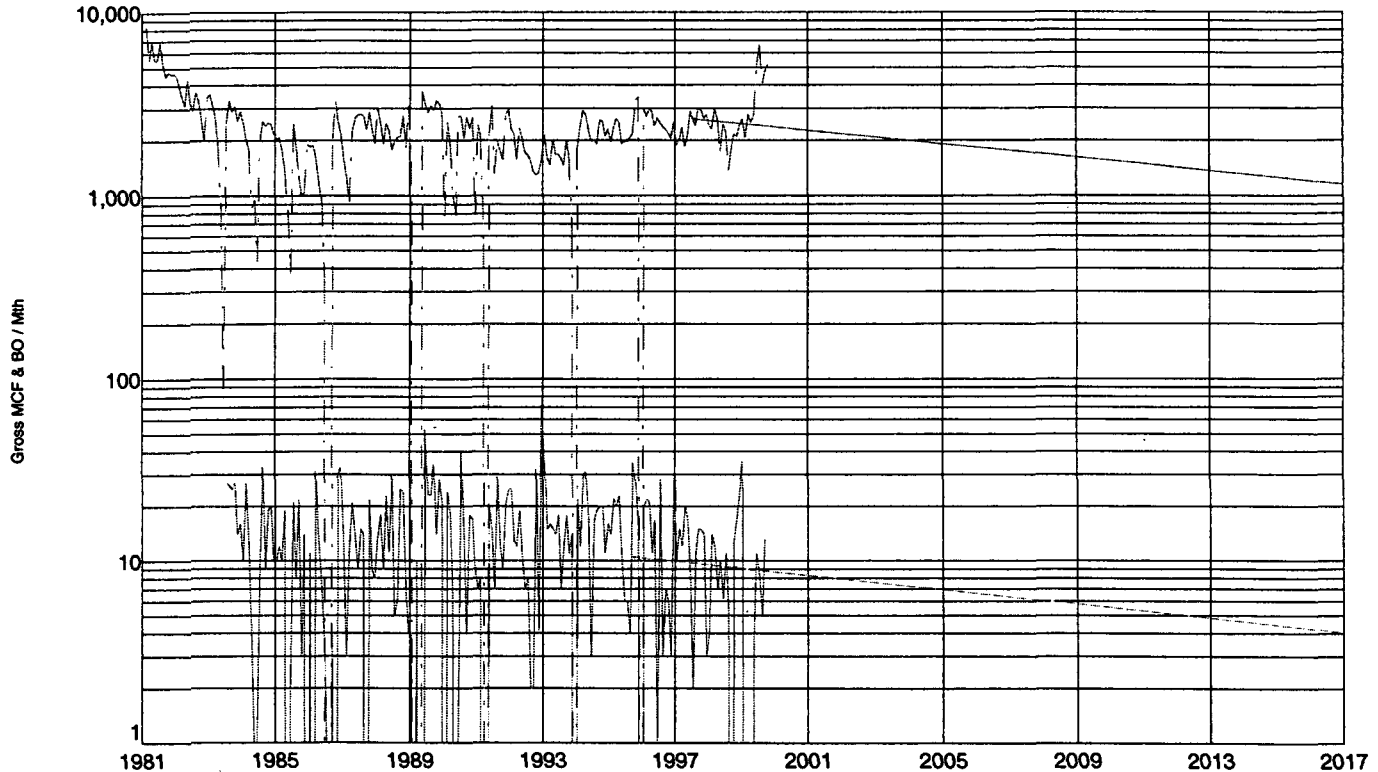
Last Twelve Months Historic Production Report

Project: C:\Program Files\IHS Energy\PTools35\PROJECTS\Reserves\New Case\Reversion\Pdp.mdb

Lease Name: STARR (1M)
 County, ST: SAN JUAN, NM
 Location: 31N-13W-13

Field Name: BASIN (DAKOTA) DK
 Operator: CHATEAU OIL & GAS INC

STARR-1M-BASIN (DAKOTA) DK



Date	Well Count	Oil (bbl)	Gas (mcf)	Water (bbl)	Injection (bbl)
Previous		2,546	492,266	5,730	2,136
11/1998	1	18	2,101	0	2,543
12/1998	1	25	2,424	0	2,718
01/1999	1	36	2,621	0	2,837
02/1999	1	0	2,053	0	0
03/1999	1	0	2,777	0	0
04/1999	1	0	2,496	0	0
05/1999	1	4	2,773	0	0
06/1999	1	11	5,037	0	0
07/1999	1	8	6,610	0	0
08/1999	1	5	4,026	0	0
09/1999	1	13	4,771	0	0
10/1999	1	0	5,171	0	0
Total:		2,667	535,126	5,730	10,354

121
 33 BOPD
 60%
 42860
 117
 71%

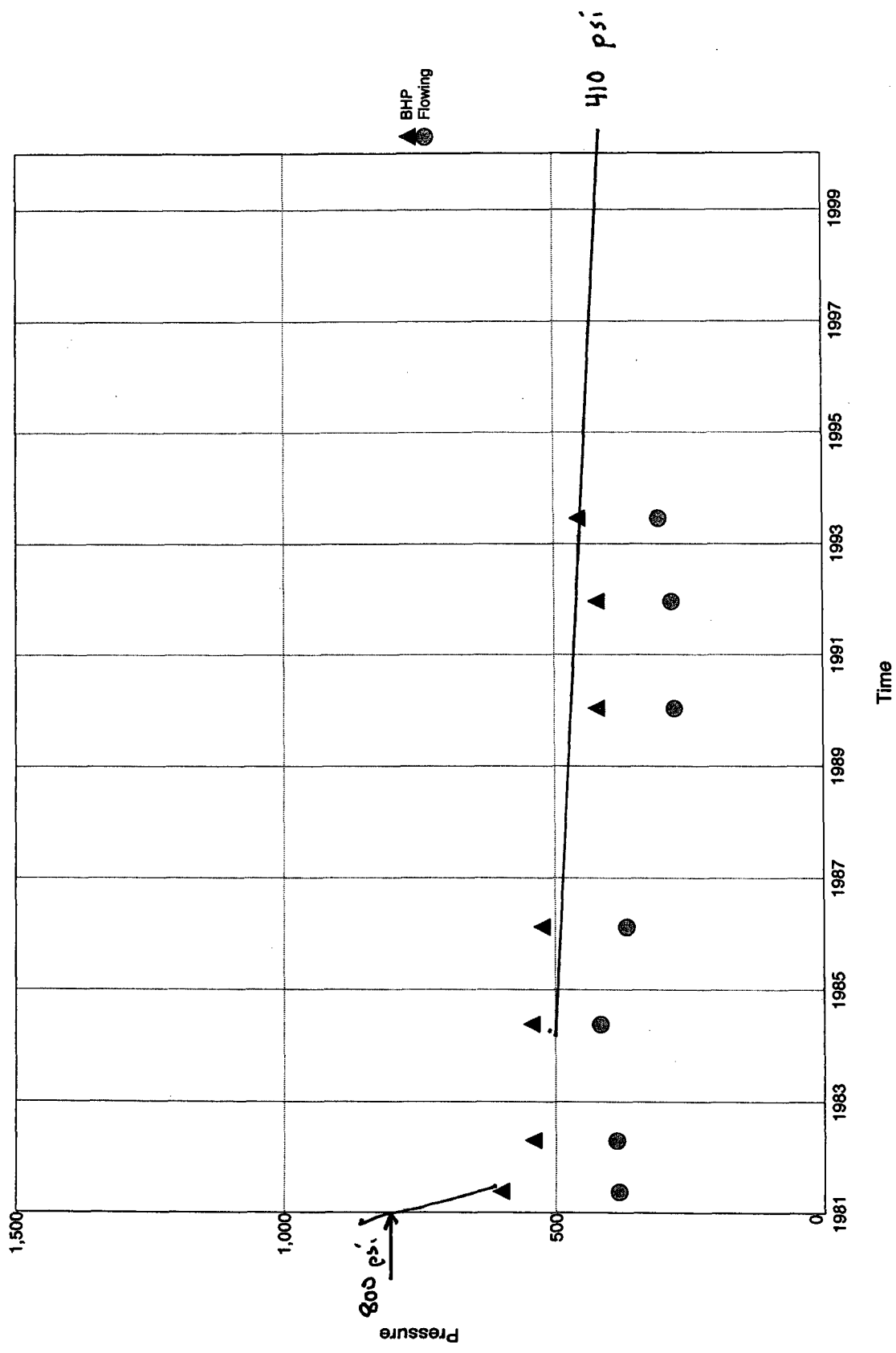
Pressure/Time Graph

Program Files\IHS Energy\PTools35\PROJECTS\Reserves\New Case\Reversion\pdpupbase.MDB
Date: 1/3/2000
Time: 11:02 AM

Lease Name: STARR (1M)
County, ST: SAN JUAN, NM
Location: 31N-13W-13

Field Name: BLANCO (MESAVERDE) MV
Operator: CHATEAU OIL & GAS INC

Starr 1M - Mesaverde



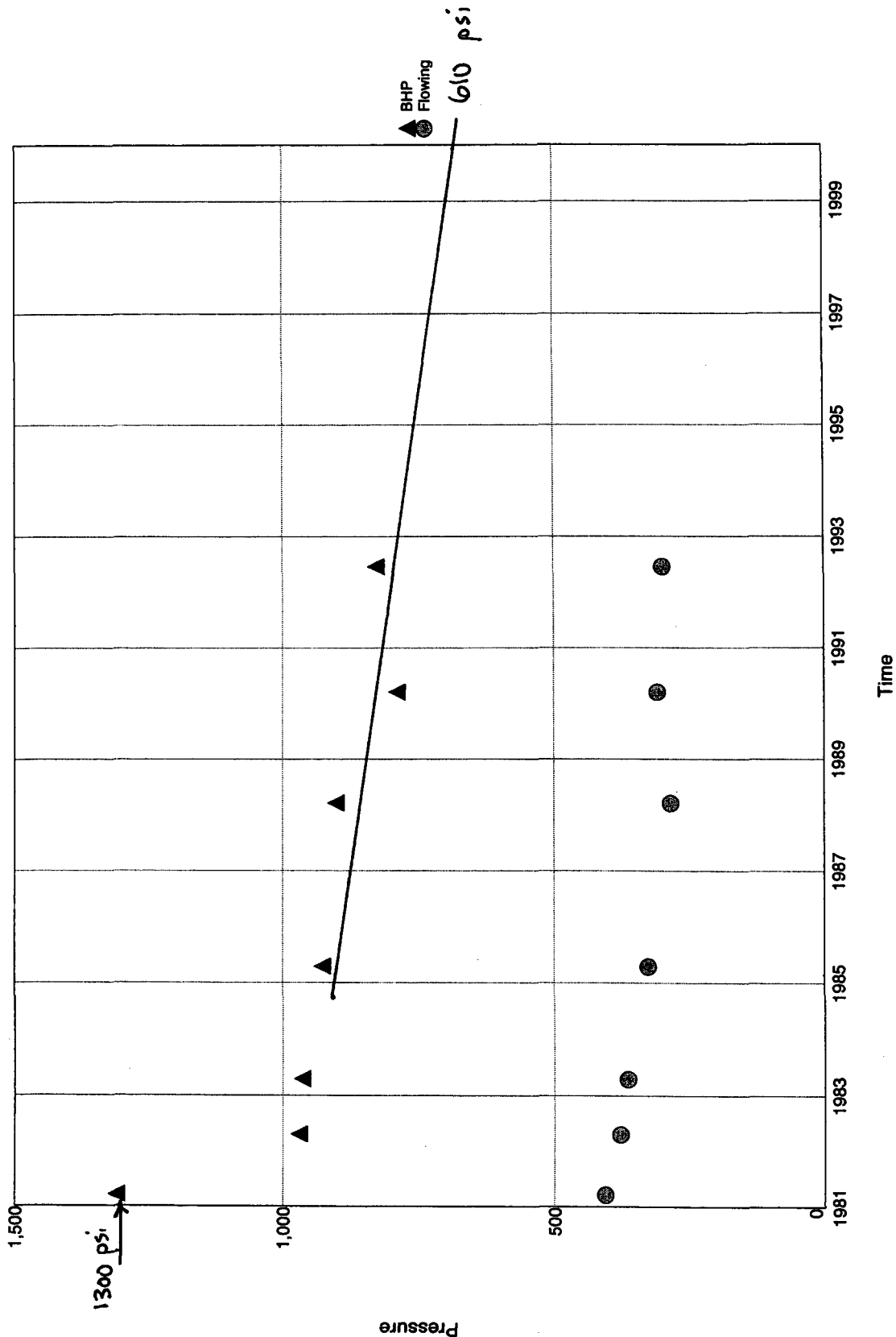
Pressure/Time Graph

\\Program Files\IHS Energy\PTools35\PROJECTS\Reserves\New Case\Reversion\pdpupbase.MDB Date: 1/3/2000
Time: 11:02 AM

Lease Name: STARR (1M)
County, ST: SAN JUAN, NM
Location: 31N-13W-13

Field Name: BASIN (DAKOTA) DK
Operator: CHATEAU OIL & GAS INC

Starr 1M - Dakota



**Starr 1M DK/MV Commingle
Net Interest Ownership**

Royalty / Override Interest

Name	Reservoir	Well #	Owner #	Owner	Type
Starr 1M	Dakota	1190	91	GREYSTONE ENERGY INC	OR
Starr 1M	Dakota	1190	1069	ELEANOR R EISEN	OR
Starr 1M	Dakota	1190	1070	THEODOR S RITTENBERG	OR
Starr 1M	Dakota	1190	1071	INEZ K GROSS	OR
Starr 1M	Dakota	1190	1102	ARTHUR ALSBERG	OR
Starr 1M	Dakota	1190	1104	SANFORD E BECKER	OR
Starr 1M	Dakota	1190	1109	MARJORIE A BACHMAN	OR
Starr 1M	Dakota	1190	1111	ADDIE GUTTAG	OR
Starr 1M	Dakota	1190	1114	SUSAN K BAKER	OR
Starr 1M	Dakota	1190	1116	ROBERT DUNLAP	OR
Starr 1M	Dakota	1190	1119	JOHN V GUTTAG	OR
Starr 1M	Dakota	1190	1121	RICHARD S BECKER	OR
Starr 1M	Dakota	1190	1122	SHELDON GARDNER	OR
Starr 1M	Dakota	1190	1125	HORACE F MCKAY JR	OR
Starr 1M	Dakota	1190	1127	ELIZABETH VERPLANK	OR
Starr 1M	Dakota	1190	1128	MARY T JARCHOW	OR
Starr 1M	Dakota	1190	1130	JACK H OWENS	OR
Starr 1M	Dakota	1190	1131	MARY KAY STEIN	OR
Starr 1M	Dakota	1190	1132	THOMAS KAUFMANN	OR
Starr 1M	Dakota	1190	1134	JAMES VAN DITTIE	OR
Starr 1M	Dakota	1190	1181	JEANNE Z SHARP	OR
Starr 1M	Dakota	1190	1182	D R ZACHARY JR	OR
Starr 1M	Dakota	1190	1370	J W STARR TEST TRUST	OR
Starr 1M	Dakota	1190	1430	GENERAL MOTORS NPA	OR
Starr 1M	Dakota	1190	1011	MINERALS MANAGEMENT SERVICE	RI

Working Interest

Starr 1M	Dakota	1190	91	GREYSTONE ENERGY INC	WI
Starr 1M	Dakota	1190	1102	ARTHUR ALSBERG	WI
Starr 1M	Dakota	1190	1104	SANFORD E BECKER	WI
Starr 1M	Dakota	1190	1109	MARJORIE A BACHMAN	WI
Starr 1M	Dakota	1190	1111	ADDIE GUTTAG	WI
Starr 1M	Dakota	1190	1114	SUSAN K BAKER	WI
Starr 1M	Dakota	1190	1119	JOHN V GUTTAG	WI
Starr 1M	Dakota	1190	1121	RICHARD S BECKER	WI
Starr 1M	Dakota	1190	1132	THOMAS KAUFMANN	WI
Starr 1M	Dakota	1190	1430	GENERAL MOTORS NPA	WI

Royalty / Override Interest

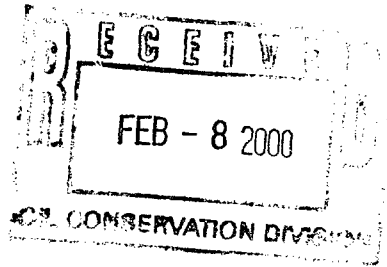
Starr 1M	Mesaverde	1191	91	GREYSTONE ENERGY INC	OR
Starr 1M	Mesaverde	1191	1069	ELEANOR R EISEN	OR
Starr 1M	Mesaverde	1191	1070	THEODOR S RITTENBERG	OR
Starr 1M	Mesaverde	1191	1071	INEZ K GROSS	OR
Starr 1M	Mesaverde	1191	1102	ARTHUR ALSBERG	OR
Starr 1M	Mesaverde	1191	1104	SANFORD E BECKER	OR
Starr 1M	Mesaverde	1191	1109	MARJORIE A BACHMAN	OR
Starr 1M	Mesaverde	1191	1111	ADDIE GUTTAG	OR
Starr 1M	Mesaverde	1191	1114	SUSAN K BAKER	OR
Starr 1M	Mesaverde	1191	1116	ROBERT DUNLAP	OR
Starr 1M	Mesaverde	1191	1119	JOHN V GUTTAG	OR
Starr 1M	Mesaverde	1191	1121	RICHARD S BECKER	OR
Starr 1M	Mesaverde	1191	1122	SHELDON GARDNER	OR
Starr 1M	Mesaverde	1191	1125	HORACE F MCKAY JR	OR
Starr 1M	Mesaverde	1191	1127	ELIZABETH VERPLANK	OR
Starr 1M	Mesaverde	1191	1128	MARY T JARCHOW	OR
Starr 1M	Mesaverde	1191	1130	JACK H OWENS	OR
Starr 1M	Mesaverde	1191	1131	MARY KAY STEIN	OR
Starr 1M	Mesaverde	1191	1132	THOMAS KAUFMANN	OR
Starr 1M	Mesaverde	1191	1134	JAMES VAN DITTIE	OR
Starr 1M	Mesaverde	1191	1181	JEANNE Z SHARP	OR
Starr 1M	Mesaverde	1191	1182	D R ZACHARY JR	OR
Starr 1M	Mesaverde	1191	1370	J W STARR TEST TRUST	OR
Starr 1M	Mesaverde	1191	1430	GENERAL MOTORS NPA	OR
Starr 1M	Mesaverde	1191	1011	MINERALS MANAGEMENT SERVICE	RI

Working Interest

Starr 1M	Mesaverde	1191	91	GREYSTONE ENERGY INC	WI
Starr 1M	Mesaverde	1191	1102	ARTHUR ALSBERG	WI
Starr 1M	Mesaverde	1191	1104	SANFORD E BECKER	WI
Starr 1M	Mesaverde	1191	1109	MARJORIE A BACHMAN	WI
Starr 1M	Mesaverde	1191	1111	ADDIE GUTTAG	WI
Starr 1M	Mesaverde	1191	1114	SUSAN K BAKER	WI
Starr 1M	Mesaverde	1191	1119	JOHN V GUTTAG	WI
Starr 1M	Mesaverde	1191	1121	RICHARD S BECKER	WI
Starr 1M	Mesaverde	1191	1132	THOMAS KAUFMANN	WI
Starr 1M	Mesaverde	1191	1430	GENERAL MOTORS NPA	WI

9155 East Nichols Ave, Suite 350
Englewood, Colorado 80112
Voice: 303-925-0542
Fax: 303-925-0543

Greystone Energy, Inc.



Fax

To: David Catanach

From: Brian Voigt

Fax: 505-827-1389

Pages: 6 + Cover

Phone: 505-827-8184

Date: 2/3/00

Re:

CC:

☐ **Urgent** ☒ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

• **Comments:**

David,

Here are some thoughts on the Starr 1M MV/DK commingle allocation.

Thanks.

-Brian



GREYSTONE ENERGY, INC.

9155 E. Nichols Ave., Suite 350 • Englewood, CO 80112

Bus: 303-925-0542 • Fax: 303-925-0543

January 4th, 2000

Mr. David R. Catanach
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RE: **Allocation**
Administrative Approval to Downhole Commingle
Greystone Energy, Inc.
Starr 1M MV / DK
990' FNL, 1850' FWL, Sec.13, T31N, R13W, N.M.P.M.
San Juan County, New Mexico

David:

Attached is another allocation worksheet looking as cum data up till December 1998 (prior to the tubing leak development) Hindsight I would say the leak started manifesting itself in Jan of 1999. To further confuse things we place the well on compression in June of 1998...that is why seemingly 1 + 1 equaled more than 2. Looking at cum data prior to Dec 1998 the gas allocation worked out to 51% MV and 49% Dakota. Looking at decline analysis (See curves) the gas allocation worked out to 43% MV and 57% DK.

The interest holders are identical between both horizons. I would like to use the allocation you feel would be the most appropriate.

I will fax this and if you have any questions please call me at 303-925-0542 ext. 223.
Thanks again for your time.

Sincerely,

Brian D. Voigt
Vice President

Starr 1M MV / DK

Based on cum production through October - 1999
(Originally proposed to State)

Fixed Percentage Allocation Formula

	Oil (Barrels)	%	Gas (MCF)	%
Mesaverde Formation	3,208	55%	522,489	49%
Dakota Formation	2,667	45%	535,126	51%
	5,875	100%	1,057,615	100%

Based on cum production through December - 1998
(Based on Cums prior to development of a tubing leak)

Fixed Percentage Allocation Formula

	Oil (Barrels)	%	Gas (MCF)	%
Mesaverde Formation	3,174	55%	515,629	51%
Dakota Formation	2,589	45%	496,791	49%
	5,763	100%	1,012,420	100%

Decline Forecast

Using a decline forecast looking forward using the years leading up to a tubing leak around December 1998

	2000 monthly average		2001 monthly average	
	Gas (MCF)	%	Gas (MCF)	%
Mesaverde Formation	1747	43%	1682	43%
Dakota Formation	2284	57%	2215	57%
	4,031	100%	3,897	100%

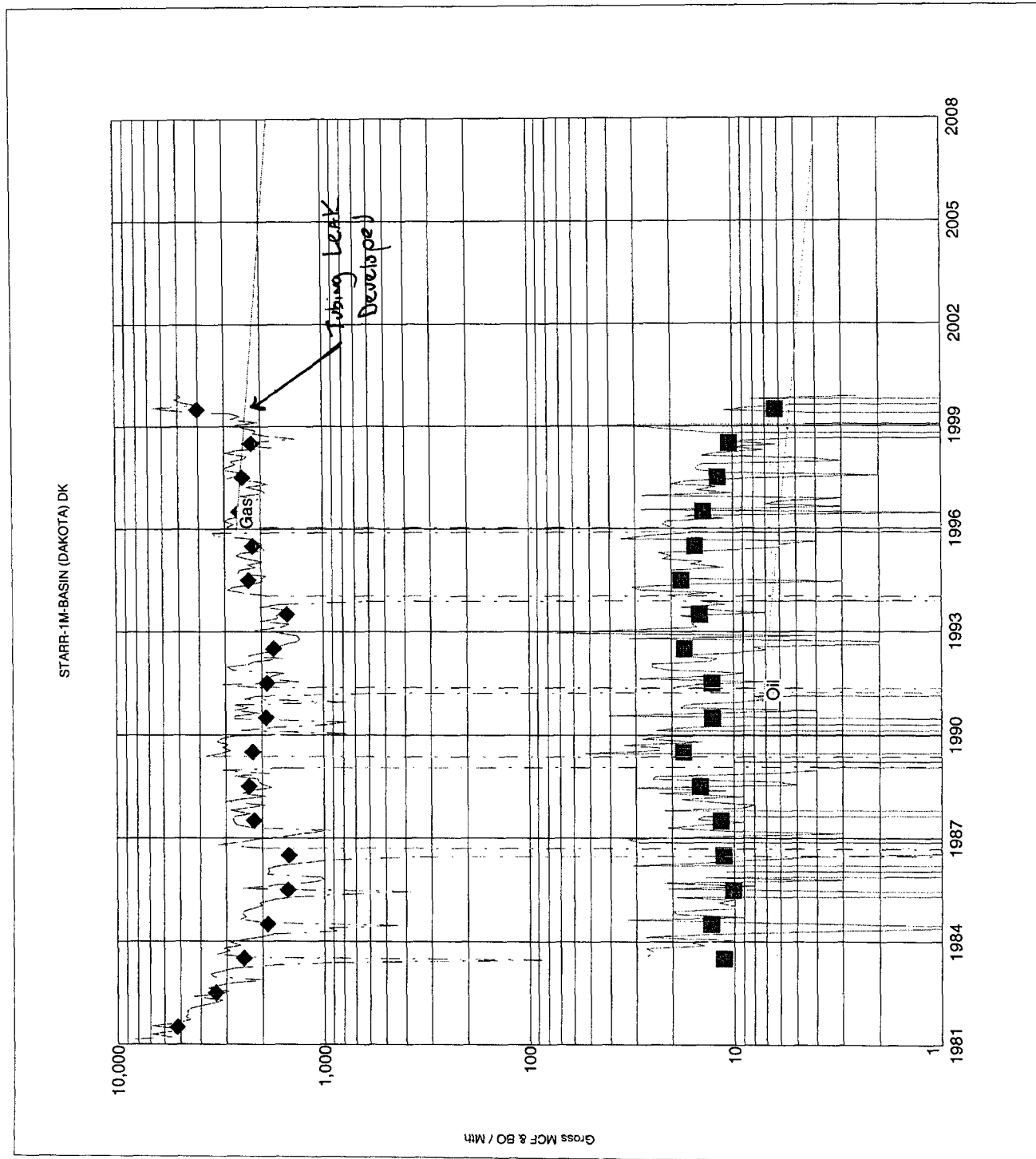
Rate/Time Graph

Project: C:\Program Files\IHS Energy\PTools35\PROJECTS\Reserves\Janpdpbase.MDB

Date: 2/3/2000
Time: 4:18 PM

Lease Name: STARR (1M)
County, ST: SAN JUAN, NM
Location: 31N-13W-13

Field Name: BASIN (DAKOTA) DK
Operator: CHATEAU OIL & GAS INC



Oil Curve:

Segment 1: 01/1991 - 12/1998
Start Rate: 7 bbl
End Rate: 5 bbl
Decline: 3.6019
N Factor: 0.000000

Gas Curve:

Segment 1: 01/1996 - 07/1998
Start Rate: 2,619 mcf
End Rate: 2,427 mcf
Decline: 3.0037
N Factor: 0.000000

Water Curve:

Segment 1: 05/1982 - 10/1997
Start Rate: 48 bbl
End Rate: 17 bbl
Decline: 56.2605
N Factor: 0.000001

Monthly Production and Sales Report

Project: C:\Program Files\IHS Energy\PTools35\PROJECTS\Reserves\Janpdpbase.MDB

Decline
Forecast

Lease Name: STARR (1M)
County, ST: SAN JUAN, NM
Location: 31N-13W-13

Field Name: BLANCO (MESAVERDE) MV
Operator: CHATEAU OIL & GAS INC

Date	Well Count	---Gross Production---		---Net Production---		---Avg Prices---		---Sales--- Total (\$)
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	
09/1999	1	0	1,799	0	935	0.00	1.67	1,562
10/1999	1	0	1,794	0	932	0.00	1.67	1,557
11/1999	1	8	1,788	4	929	10.29	1.67	1,597
12/1999	1	4	1,782	2	926	10.29	1.67	1,569
Sub-Total:		12	7,163	6	3,723	8.32	1.67	6,284
01/2000	1	4	1,777	2	923	8.29	1.50	1,402
02/2000	1	4	1,771	2	921	8.29	1.50	1,398
03/2000	1	4	1,766	2	918	8.29	1.50	1,394
04/2000	1	4	1,760	2	915	8.29	1.50	1,389
05/2000	1	4	1,755	2	912	8.29	1.50	1,385
06/2000	1	4	1,749	2	909	8.29	1.50	1,381
07/2000	1	4	1,744	2	906	8.29	1.50	1,376
08/2000	1	4	1,738	2	903	8.29	1.50	1,372
09/2000	1	4	1,733	2	901	8.29	1.50	1,368
10/2000	1	4	1,727	2	898	8.29	1.50	1,364
11/2000	1	4	1,722	2	895	8.29	1.50	1,359
12/2000	1	4	1,716	2	892	8.29	1.50	1,355
Sub-Total:		48	20,957	25	10,893	8.29	1.50	16,545
01/2001	1	4	1,711	2	889	9.79	1.71	1,541
02/2001	1	4	1,706	2	887	9.79	1.71	1,536
03/2001	1	4	1,700	2	884	9.79	1.71	1,531
04/2001	1	4	1,695	2	881	9.79	1.71	1,526
05/2001	1	4	1,690	2	878	9.79	1.71	1,522
06/2001	1	4	1,684	2	875	9.79	1.71	1,517
07/2001	1	4	1,679	2	873	9.79	1.71	1,512
08/2001	1	4	1,674	2	870	9.79	1.71	1,508
09/2001	1	4	1,669	2	867	9.79	1.71	1,503
10/2001	1	4	1,663	2	865	9.79	1.71	1,498
11/2001	1	4	1,658	2	862	9.79	1.71	1,494
12/2001	1	4	1,653	2	859	9.79	1.71	1,489
Sub-Total:		47	20,182	24	10,490	9.79	1.71	18,176
01/2002	1	4	1,648	2	856	9.99	1.76	1,527
02/2002	1	4	1,643	2	854	9.99	1.76	1,523
03/2002	1	4	1,637	2	851	9.99	1.76	1,518
04/2002	1	4	1,632	2	848	9.99	1.76	1,513
05/2002	1	4	1,627	2	846	9.99	1.76	1,509
06/2002	1	4	1,622	2	843	9.99	1.76	1,504
07/2002	1	4	1,617	2	840	9.99	1.76	1,499
08/2002	1	4	1,612	2	838	9.99	1.76	1,494
09/2002	1	4	1,607	2	835	9.99	1.76	1,490
10/2002	1	4	1,602	2	833	9.99	1.76	1,485
11/2002	1	4	1,597	2	830	9.99	1.76	1,481
12/2002	1	4	1,592	2	827	9.99	1.76	1,476
Sub-Total:		46	19,436	24	10,102	9.99	1.76	18,019

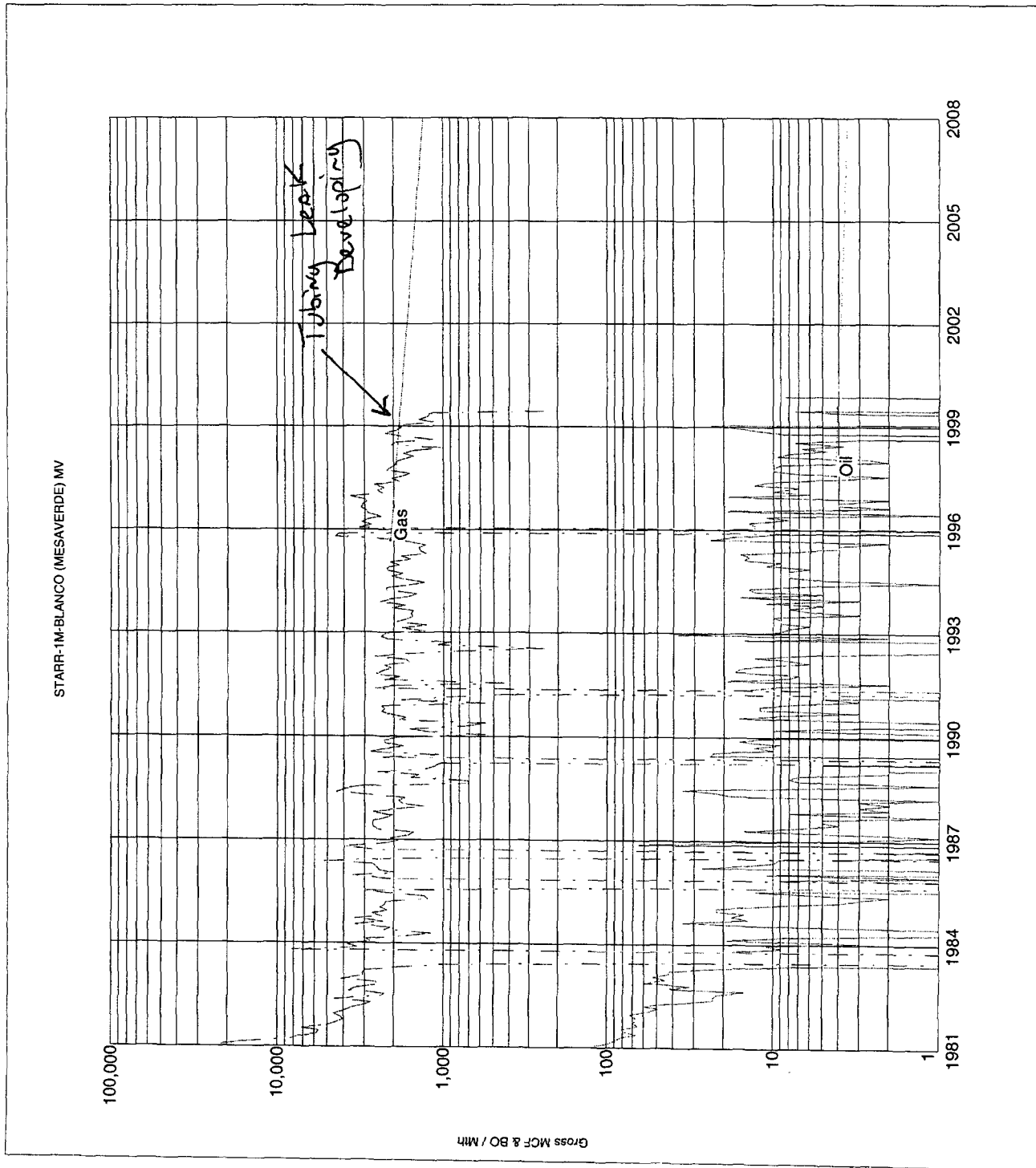
Rate/Time Graph

Project: C:\Program Files\IHS Energy\PTools35\PROJECTS\Reserves\Janpdpbase.MDB

Date: 2/3/2000
Time: 4:29 PM

Lease Name: STARR (1M)
County, ST: SAN JUAN, NM
Location: 31N-13W-13

Field Name: BLANCO (MESAVERDE) MV
Operator: CHATEAU OIL & GAS INC



Oil Curve:

Segment 1: 08/1997 - 08/1999
Start Rate: 4 bbl
End Rate: 4 bbl
Decline: 1.7293
N Factor: 0.000000

Gas Curve:

Segment 1: 09/1995 - 01/1999
Start Rate: 2,095 mcf
End Rate: 1,848 mcf
Decline: 3.6978
N Factor: 0.000000

Water Curve:

Segment 1: 01/1981 - 06/1996
Start Rate: 26 bbl
End Rate: 1 bbl
Decline: 89.7974
N Factor: 0.000001

Monthly Production and Sales Report

Project: C:\Program Files\IHS Energy\PTools35\PROJECTS\Reserves\Janpdpbase.MDB

Lease Name: STARR (1M)
 County, ST: SAN JUAN, NM
 Location: 31N-13W-13

Field Name: BASIN (DAKOTA) DK
 Operator: CHATEAU OIL & GAS INC

Decline
Forecast

Date	Well Count	---Gross Production---		---Net Production---		---Avg Prices---		---Sales---
		Oil (Bbl)	Gas (Mcf)	Oil (Bbl)	Gas (Mcf)	Oil (\$/Bbl)	Gas (\$/Mcf)	Total (\$)
09/1999	1	0	4,771	0	2,480	0.00	1.67	4,141
10/1999	1	8	5,171	4	2,688	10.29	1.67	4,533
11/1999	1	3	4,826	1	2,508	10.29	1.67	4,203
12/1999	1	5	5,073	3	2,637	10.29	1.67	4,431
Sub-Total:		16	19,841	8	10,313	9.46	1.67	17,308
01/2000	1	5	2,316	3	1,204	8.29	1.50	1,828
02/2000	1	5	2,310	3	1,200	8.29	1.50	1,823
03/2000	1	5	2,304	3	1,197	8.29	1.50	1,818
04/2000	1	5	2,298	3	1,194	8.29	1.50	1,814
05/2000	1	5	2,292	3	1,191	8.29	1.50	1,809
06/2000	1	5	2,286	3	1,188	8.29	1.50	1,805
07/2000	1	5	2,280	3	1,185	8.29	1.50	1,800
08/2000	1	5	2,275	3	1,182	8.29	1.50	1,795
09/2000	1	5	2,269	3	1,179	8.29	1.50	1,791
10/2000	1	5	2,263	3	1,176	8.29	1.50	1,786
11/2000	1	5	2,257	3	1,173	8.29	1.50	1,782
12/2000	1	5	2,252	3	1,170	8.29	1.50	1,777
Sub-Total:		61	27,402	32	14,243	8.29	1.50	21,629
01/2001	1	5	2,246	3	1,167	9.79	1.71	2,022
02/2001	1	5	2,240	3	1,164	9.79	1.71	2,017
03/2001	1	5	2,235	3	1,161	9.79	1.71	2,012
04/2001	1	5	2,229	3	1,159	9.79	1.71	2,006
05/2001	1	5	2,223	3	1,156	9.79	1.71	2,001
06/2001	1	5	2,218	3	1,153	9.79	1.71	1,996
07/2001	1	5	2,212	3	1,150	9.79	1.71	1,991
08/2001	1	5	2,206	3	1,147	9.79	1.71	1,986
09/2001	1	5	2,201	3	1,144	9.79	1.71	1,981
10/2001	1	5	2,195	3	1,141	9.79	1.71	1,976
11/2001	1	5	2,190	3	1,138	9.79	1.71	1,971
12/2001	1	5	2,184	3	1,135	9.79	1.71	1,966
Sub-Total:		59	26,579	31	13,815	9.79	1.71	23,925
01/2002	1	5	2,179	3	1,132	9.99	1.76	2,018
02/2002	1	5	2,173	3	1,129	9.99	1.76	2,013
03/2002	1	5	2,167	2	1,127	9.99	1.76	2,008
04/2002	1	5	2,162	2	1,124	9.99	1.76	2,003
05/2002	1	5	2,156	2	1,121	9.99	1.76	1,998
06/2002	1	5	2,151	2	1,118	9.99	1.76	1,992
07/2002	1	5	2,146	2	1,115	9.99	1.76	1,987
08/2002	1	5	2,140	2	1,112	9.99	1.76	1,982
09/2002	1	5	2,135	2	1,110	9.99	1.76	1,977
10/2002	1	5	2,129	2	1,107	9.99	1.76	1,972
11/2002	1	5	2,124	2	1,104	9.99	1.76	1,967
12/2002	1	5	2,118	2	1,101	9.99	1.76	1,962
Sub-Total:		57	25,780	30	13,400	9.99	1.76	23,880