Exhibit 'A'
Questar Exploration and Production Company
Kinney Gas Gathering system

Federal Lease/Unit Number	Lease Name and Well Number	Legal Description	Pool
Escrito Gallup Unit 14-08-0001-8691	Nancy 2 (EGU 2)	SWSE Sec 12-24N-8W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Smith 2 (EGU 3)	NENE Sec 13-24N-8W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Smith 3 (EGU 21)	SENE Sec 13-24N-8W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Federal 2-7 (EGU 4)	SWSW Sec 7-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Eliz 2 (EGU 6)	NENW Sec 18-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Eliz 7 (EGU 22)	SENW Sec 18-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Eliz 5 (EGU 9)	NESE Sec 18-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Unit 26	SESE Sec 18-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Federal 3-19 (EGU 10)	NENE Sec 19-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Federal 3-20-1 (EGU 15)	NENE Sec 20-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Unit 29	SENE Sec 20-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Federal 3-21-3 (EGU 24)	SENW Sec 21-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Smith 1 (EGU 19)	NESE Sec 13-24N-8W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Eliz 6 (EGU 20)	SESW Sec 18-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Unit 25 (EGU 25)	NWSE Sec 18-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Unit 27 (Federal 3-19-2)	SENE Sec 19-24N-7W	Escrito-Gallup
Escrito Gallup Unit 14-08-0001-8691	Unit 28	NENW Sec 20-24N-7W	Escrito-Gallup
NMSF078562	Federal 1-27	SWSE Sec 27-24N-7W	Escrito-Gallup
NMSF078562	Lybrook 7-27-1	NENE Sec 27-24N-7W	Escrito-Gallup
NMSF078562	Lybrook 4-22	NWSE Sec 22-24N-7W	Escrito-Gallup
NMSF078562	Lybrook 6-22	SWNE Sec 22-24N-7W	Escrito-Gallup
NMSF078562	Lybrook 22-2R	NESE Sec 22-24N-7W	Escrito-Gallup
NMSF078562	Lybrook 7-27-2	NESE Sec 27-24N-7W	Escrito-Gallup
NMNM0557389	Nancy 3	SESW Sec 12-24N-8W	Dufflers Point-Gallup
NMNM0557389	Nancy 4	SENW Sec 12-24W-8W	Dufflers Point-Gallup
NMNM0557389	Nancy 5	NESW Sec 12-24N-8W	Dufflers Point-Gallup
NMNM1409	Smith 4	SENW Sec 13-24N-8W	Escrito-Gallup
NMNM1409	Smith 5	NENW Sec 13-24N-8W	Escrito-Gallup
NMNM014021B	Stephenson 1-22	NWNW Sec 22-24N-7W	Escrito-Gallup
NMNM0557390	Federal 3-21-2	SENE Sec 21-24N-7W	Escrito-Gallup
NMNM0557390	Federal 3-21-4	SWSE Sec 21-24N-7W	Escrito-Gallup
NMNM0557390	Federal 3-21-5	NWSW Sec 21-24N-7W	Escrito-Gallup
NMNM14925	Federal 1-22-1	SESW Sec 22-24N-7W	Escrito-Gallup
NMNM14925	Federal 1-22-2	SWSW Sec 22-24N-7W	Escrito-Gallup
NMSF080202B	Federal 4-26	SWNE Sec 26-24N-7W	Escrito-Gallup
NMSF080202B	Bryd 5-23	SWSE Sec 23-24N-7W	Devils Fork-Gallup
NMSF078563	Bryd 6-23	SWSE Sec 16-24N-7W	Devils Fork-Gallup
NMSF078563	Federal 2-26	NENW Sec 26-24N-7W	Escrito-Gallup
NMSF078974	Federal 6-22	NESW Sec 22-24N-7W	Escrito-Gallup
NMNM014023	Ernest 1	SESE Sec 27, T24N, R7W	Escrito-Gallup
NMNM014023	Ernest 2	NENW Sec 27, T24N, R7W	Escrito-Gallup

Exhibit 'B'
Questar Exploration and Production Company
Kinney Gas Gathering System
Division Order PLC-165

1) Allocation Method for Gas Production

Estimated Daily Gas Volume (Total Daily MCF)
= (Minutes of afterflow / total minutes per trip) x total trip gas volume per day
Total Trip Gas Volume per day (MCF Per Day)
= Gas volume per trip x trips per day
Gas Volume per trip (MCF Per Trip)
= ((tubing volume x (tubing pressure psig + 15.025 psia) / 15.025 psia) / 1000
Tubing Volume in ft^3
= (π(tubing radius)^2) x tubing height.

The gas volume delivered to El Paso Natural Gas at the Kinney central delivery point is allocated based on each well's prorated share of the total estimated monthly gas volume. Volumes are calculated in pressure base 14.730 and 15.025.

There are 18 separators and 2 pumping wells on the system. The separators are typically 3-phase, 125# working pressure with an estimated fuel usage of 1 mcfd. Fuel gas for the pumping units is also estimated at 1 mcfd.

Based on the manufacturer specs, the Kinney compressor fuel gas is as follows:
Waukesha F1197G = 8.5 btu per hp per hour
8.5 x 130hp x 24 = 26,520 btu/day
26,520 / 1.391 btu/ft^3 = 19.07 mcfd or 572 mcf/month.

Compressor fuel and separator/pumpjack fuel is allocated to each well based on the estimated monthly produced mcf.

Questar Exploration and Production Company
Denver Division
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165

QUESTAR

February 15, 2000

Mr. Lee Otteni, District Manager
USDI - Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401

Mr. Ray Powell, Commissioner
New Mexico State Land Office
P. O. Box 1148
Santa Fe, NM 87504-1148

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

Re: Request for Continuance of Variance Approval
Onshore Oil & Gas Order #5, Measurement of Gas
Kinney Gas Gathering System

Dear Ms. Wrotenbery, Mr. Powell and Mr. Otenni:

Since April 17, 1990, certain wells in Rio Arriba and San Juan Counties, New Mexico, have been operated under an approved variance from Onshore Order No. 5 by BCO, Inc. and, subsequently, Questar Exploration and Production Company (Questar), formerly Universal Resources Corporation. Questar received approval to continue operating the wells on the South Lybrook gas gathering system utilizing this alternative method of measurement from the Farmington Bureau of Land Management on March 8, 1999; from the Commissioner of Public Lands for the State of New Mexico on April 28, 1999; and from the State of New Mexico Oil Conservation Division on May 25, 1999 (Division Order R-11185).

Questar hereby requests approval to continue the surface commingling and off-lease measurement and sale of natural gas production for the wells connected to the Kinney gas gathering system under the same terms approved for the South Lybrook gas gathering system.

Questar operates 41 wells (6 are currently shut in) producing casinghead gas into the Kinney gas gathering system. The wells are located on 10 federal leases and 17 of the wells are within the Escrito Gallup Unit. All wells on the gathering system are operated by Questar. Exhibit A lists each well, its location and lease/unit number, the average monthly oil and gas production and average monthly gas sales. Also included is an average month's fuel gas usage which is calculated based on equipment at each well or battery and compressor use:

Separator	1 mcfd
Pumpjack	1 mcfd
Tank heater	2 mcfd (winter months only)
Kinney Compressor	18.75 mcfd

During 1998, the wells on the Kinney gas gathering system produced a total of 27,705 barrels of oil and condensate plus 196 mmcf of gas from the Devils Fork Gallup, Duffers Point Gallup and Escrito Gallup pools in Township 24 North, Ranges 7 and 8 West.

There are 17 meters recording gas flow at individual wellsites and tank batteries. Questar operates the majority of the wells with a gas lift (plunger) system set to operate with a pressure or timed intermitter. Utilization of a plunger lift system maximizes recovery through more cost-effective operation thus extending the economic life of the well. The 3 wells currently operating on a pumpjack do not produce enough gas to efficiently operate on a plunger.

The surge of gas that is produced on each trip during plunger operations makes it difficult to integrate the charts of conventional gas flow measurement equipment and thereby obtain accurate gas volumes. The differential pen often appears to go straight up and down, which an automatic integrator can record as no flow. Exhibit B shows the volumes obtained from chart integrations for selected months during 1994 through 1999. You'll note the inconsistency of the volumes due to difficulty in integrating the charts. The monthly integration of the charts is not only meaningless, but the cost would place a economic burden on these marginal wells, making them uneconomical to operate and perhaps forcing them to be shut in.

Because of the unreliability of chart volumes and the additional cost monthly chart integrations would impose on these marginal wells, an alternative method of measuring gas production for each well was developed as required under our leases for royalty accountability. Exhibit C is the September 1999 calculation of estimated daily produced gas volumes for each well using this alternative method. The formula uses the cubic feet in the tubing, the tubing pressure at the start of each trip, the number of trips per day, and the length of afterflow in minutes to arrive at an estimated daily gas volume.

Tubing volume (Cu. Ft.) X *(tubing pressure psig + 15.025 psia)* ÷ *15.025 psia)* = ***mcf per trip***

Mcf per trip X *number of trips per day* = ***mcf per day***

Mcf per day X *(minutes of afterflow / minutes per trip)* = ***Total daily mcf***

Since originally approved in 1990, this method has proven a reliable estimation of production from each well and a good check against the gas El Paso Natural Gas Company (EPNG) reports at the gas sales meters.

Questar's pumpers check the charts daily to ensure each well is running the proper number of trips, and that it is running efficient trips. If a well begins to load up, a trip will end either prematurely or late. Observing this situation on the chart allows the pumper to take corrective action before the well requires a swab unit. Our goal is to minimize the increase in gas/oil ratio

through careful plunger operation so that the gas energy is used to raise as much oil as possible.

Questar tracks the gas production from each well on the Kinney gas gathering system monthly and integrates all charts twice a year as a comparison to our estimates. Meters which record >100 mcfd of gas flow are calibrated quarterly. All meters are calibrated every six months.

Questar bases mmbtu for pricing purposes on a full compositional analysis performed by EPNG at least semi-annually on gas delivered to the Kinney central delivery point sales meter in the NESW of Section 23, Township 24 North, Range 7 West. Questar believes the EPNG analysis represents an accurate average that doesn't affect the value of the gas to any owner's detriment. The cost of having each well's gas tested and the cost of the increased complexity of gas pricing would be burdensome, especially considering the marginal economic character of the wells.

Questar maintains a gathering system drip tank at the Kinney compressor and another in the Escrito Gallup Unit to collect condensate from the gas gathering line. During 1998-1999, there was one sale of 86 barrels of drip condensate from the Kinney compressor drip tank, and one sale of 24 barrels from the Escrito Gallup Unit drip tank. Questar requests approval for the off-lease storage and sale of this drip condensate, and its allocation back to wells that produce gas into the line upstream of the drip tanks. Attached as Exhibit D are well allocations for the two drip condensate sales based on each well's previous month gas sales.

Questar is confident its method of allocating gas production is equitable and economically beneficial to the leases. The reduction in meter servicing charges, chart integration fees and gas analysis costs will extend the economic life of the leases and prevent premature abandonment of these low volume wells due to excessive operating costs. This method maximizes federal and state royalties and does not result in improper allocation of federal and state production and sales.

Questar requests the following variances from Onshore Oil & Gas Order No. 5:

1. Allow Questar to continue using the estimated produced gas computation (Exhibit C) as the basis for gas volumes produced at wellhead. Individual wellhead and battery meter charts will not be integrated monthly, but will be integrated twice a year as a check on our allocations. All charts will be available for inspection as required.

2. Questar will calibrate gas meters through which <100 mcfd of gas flows every six months rather than quarterly.

3. Testing of btu content of gas at wellhead will not be required. Allow Questar to base mmbtu for pricing purposes on a full compositional analysis performed by EPNG at least semi-annually on gas delivered to the Kinney central delivery point sales meter. The BLM is notified when a settlement test or calibration is scheduled by EPNG.

4. Wells through which <200 mcf of gas passes daily shall not be required to have a temperature recorder.

5. Sales of drip condensate collected in the drip tanks at the Kinney compressor and in the Escrito Gallup Unit shall be allocated to upstream wells on the gathering system based on the previous month's allocated gas sales.

In support of continuing the variance approval, Questar submits the following additional information as required by the Guidelines for Surface Commingling and/or Off-Lease Sales, Storage, Usage and Measurement issued by the Farmington Bureau of Land Management on June 30, 1995:

1. Exhibit E. Lease outlines and numbers and the location of all wells.

2. Exhibit F. Location of all wells and flowlines, the Kinney gas gathering line and compressor, the drip condensate tanks, and the EPNG central delivery point and sales meter.

3. Exhibit G. Schematic of the Kinney gas gathering system and of a typical tank battery for an individual well and for multiple wells.

4. Exhibit H. List of wells in the Kinney gas gathering system grouped into tank batteries. Equipment at each wellsite and tank battery is shown.

5. Exhibit I. Current gas analysis of gas delivered to the EPNG sales meter.

6. Exhibit J. Example of the gas volume allocation spreadsheet prepared each month for wells on the Kinney gas gathering system with a description of the process.

Sincerely,

Jane Seiler
Administrative Supervisor

enclosures

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AVERAGE MONTHLY VOLUMES

Federal Lease/Unit Number	Lease Name and Well Number	Legal Description	Last 12 months Average Oil Production BOPM	Oil Gravity	Last 12 months Average Gas Production MCFM	Last 12 months Average Fuel Gas Usage MCFM	Last 12 months Average Gas Sales to ENPG MCFM	Remarks
KINNEY GATHERING SYSTEM								
Unit 14-08-0001-8691	Nancy 2 (EGU 2) (NANCY GALLUP)	SWSE Sec 12-24N-8W						Shut in
Unit 14-08-0001-8691	Smith 2 (EGU 3)	NENE Sec 13-24N-8W						Shut in
Unit 14-08-0001-8691	Smith 3 (EGU 21)	SENE Sec 13-24N-8W	6	39.8	96	15	37	
Unit 14-08-0001-8691	Federal 2-7 (EGU 4)	SWSW Sec 7-24N-7W	204	38.6	196	52	130	Pumping Unit
Unit 14-08-0001-8691	Eliz 2 (EGU 6)	NENW Sec 18-24N-7W						Shut in
Unit 14-08-0001-8691	Eliz 7 (EGU 22)	SENW Sec 18-24N-7W	48	40.1	513	47	479	
Unit 14-08-0001-8691	Eliz 5 (EGU 9)	NESE Sec 18-24N-7W	18	38.4	91	10	58	
Unit 14-08-0001-8691	Unit 26	SESE Sec 18-24N-7W	66	38.4	606	27	588	
Unit 14-08-0001-8691	Federal 3-19 (EGU 10)	NENE Sec 19-24N-7W	15	40.1	167	30	144	
Unit 14-08-0001-8691	Federal 3-20-1 (EGU 15)	NENE Sec 20-24N-7W	15	36.4	116	16	69	
Unit 14-08-0001-8691	Unit 29	SENE Sec 20-24N-7W	69	36.4	1153	46	1130	
Unit 14-08-0001-8691	Federal 3-21-3 (EGU 24)	SENW Sec 21-24N-7W	42	40.1	317	35	291	
Unit 14-08-0001-8691	Smith 1 (EGU 19)	NESE Sec 13-24N-8W	69	40.1	448	26	401	
Unit 14-08-0001-8691	Eliz 6 (EGU 20)	SESW Sec 18-24N-~~8W~~ 7W	12	40.1	99	15	61	
Unit 14-08-0001-8691	Unit 25 (EGU 25)	NWSE Sec 18-24N-7W	60	38.1	278	17	265	
Unit 14-08-0001-8691	Unit 27 (Federal 3-19-2)	SENE Sec 19-24N-7W	27	44.8	249	32	222	
Unit 14-08-0001-8691	Unit 28	NENW Sec 20-24N-7W	45	27.3	796	51	773	
NMSF078562	Federal 1-27	SWSE Sec 27-24N-7W	60	41.1	176	31	144	
NMSF078562	Lybrook 7-27-1	NENE Sec 27-24N-7W	93	40.0	1502	80	1329	
NMSF078562	Lybrook 4-22	NWSE Sec 22-24N-7W	51	40.0	380	24	357	
NMSF078562	Lybrook 6-22	SWNE Sec 22-24N-7W	42	39.6	159	17	147	
NMSF078562	Lybrook 22-2R	NESE Sec 22-24N-7W	495	39.6	1635	58	1534	
NMSF078562	Lybrook 7-27-2	NESE Sec 27-24N-7W	72	37.7	1051	58	1029	
NMNM0557389	Nancy 3 (NANCY, POST GALLUP)	SESW Sec 12-24N-8W						Shut in
NMNM0557389	Nancy 4	SENW Sec 12-24W-8W	159	40.0	241	46	210	Pumping Unit
NMNM0557389	Nancy 5	NESW Sec 12-24N-8W	189	40.0	261	47	239	Pumping Unit
NMNM1409	Smith 4 (SMITH GALLUP)	SENW Sec 13-24N-8W	33	38.0	167	17	130	
NMNM1409	Smith 5	NENW Sec 13-24N-8W	105	38.0	887	39	865	
NMNM014021B	Stephenson 1-22	NWNW Sec 22-24N-7W	60	38.1	266	35	251	
NMNM0557390	Federal 3-21-2	SENE Sec 21-24N-7W						Shut in
NMNM0557390	Federal 3-21-4	SWSE Sec 21-24N-7W	93	39.2	635	60	605	
NMNM0557390	Federal 3-21-5	NWSW Sec 21-24N-7W	36	40.0	343	36	311	
NMNM14925	Federal 1-22-1	SESW Sec 22-24N-7W	75	38.5	465	25	435	
NMNM14925	Federal 1-22-2	SWSW Sec 22-24N-7W	66	38.5	544	30	510	
NMSF080202B	Federal 4-26	SWNE Sec 26-24N-7W	9	40.2	181	31	170	
NMSF080202B	Bryd 5-23 (BRYD GALLUP)	SWSE Sec 23-24N-7W	63	38.5	587	57	551	
NMSF078563	Bryd 6-23	SWSE Sec 16-24N-7W	66	38.1	397	60	372	
NMSF078563	Federal 2-26 (GALLUP)	NENW Sec 26-24N-7W	54	37.0	1006	52	943	
NMSF078974	Federal 6-22	NESW Sec 22-24N-7W						Shut in
NMNM014023	Ernest 1	SESE Sec 27, T24N, R7W	246	41.3	68	44	52	
NMNM014023	Ernest 2	NENW Sec 27, T24N, R7W	216	41.7	1567	70	1479	
	Kinney Compressor Drip Tank	NESW Sec 23-24N-7W	6	43.8				
	Escrito Gallup Unit Drip Tank	NWNW Sec 18- 24N-7W	1	65.0				
TOTALS			2985		17645	1335	16310	gas btu: 1.391
					17645		16310	

WELLHEAD METER CHART INTEGRATIONS

	Sep-94	Feb-95	Apr-96	Jun-97	Jun-98	Mar-99	Sep-99
Meter Name	Mcfm	Mcfm	Mcfm	Mcfm	Mcfm	Mcfm	Mcfm
KINNEY CDP							
Stephenson 1	1027	360	339	283	443	267	87
Lybrook 22-2R, 6-22	2368	996	1837	1174	1744	1649	1054
Byrd 6-23	1045	722	638	1080	1080	515	384
Byrd 5-23	1500	1281	790	735	840	1122	2242
Lybrook 7-27-1, 4-22	3384	2663	3109	1693	2113	991	1209
Lybrook 7-27-2, Federal 1-27	2641	1481	1713	1995	1489	1225	1277
Federal 3-21-2	449	244	370	274	236	Shut in	
Federal 3-21-5	783	564	862	1098	705	320	448
Federal 6-22	234	56	156	Shut in 11/96			
Federal 2-26	1583	1607	1570	1557	1776	1574	1543
Federal 1-22-1, 1-22-2	2531	1798	2201	1436	1845	910	763
Federal 4-26	416	461	402	574	394	248	248
Smith 4, 5	2927	2336	863	2546	2164	885	1614
Nancy 3, 4, 5	775	121	496	296	240	507	253
Elizabeth 5, Unit 25, 26	2510	1217	1160			1071	4538
Federal 3-20-1, Federal 3-19, Unit 27, 28, 29	4025	1833	2996	3377	1280	1510	1383
Smith 1, Elizabeth 6	1216	897	1108	760		378	293
Smith 3	1081	1128	546	1560	45	8	0
Elizabeth 7	811	457	566	330	761	1017	272
Waterflood Meter	9817	6339	9226	5524	6075	8427	7484
Ernest 1							
Ernest 2						5878	1255
TOTALS	41123	26561	30948	26292	23230	28502	26347

ESTIMATED PRODUCED GAS VOLUMES

for Sep-99

KINNEY GATHERING SYSTEM

WELL:	Tubing Size (ID) (inches)	Tubing Depth	Tubing Volume (cu.ft.)	Tubing Pressure (psig)	Trips/ Day	Minutes per trip	Gas/trip (mcf)	Trip Volume per day (mcfd)	After flow (min.)	Afterflow Gas Volume (mcf)	Estimated Total Daily (mcfd)	Potential Total monthly (mcf)
Stephenson 1-22	1.995	5,973	129.66	275	4	11	2.503	10.0	0	0.0	10.0	300
Lybrook 2-R	1.995	5,573	120.98	185	24	9	1.611	38.7	3	12.9	51.5	1546
Lybrook 6-22	1.610	5,656	79.96	275	3	12	1.544	4.6	0	0.0	4.6	139
Byrd 6-23	1.995	5,514	119.70	145	12	6	1.275	15.3	0	0.0	15.3	459
Byrd 5-23	1.610	5,469	77.32	130	24	6.5	0.746	17.9	0.5	1.4	19.3	579
Lybrook 7-27 #1	1.751	5,710	95.49	160	24	9	1.112	26.7	10	29.7	56.4	1691
Lybrook 4-22	1.995	5,130	111.36	175	8	8	1.408	11.3	0.5	0.7	12.0	359
Lybrook 7-27 #2	1.995	5,579	121.11	110	24	8	1.008	24.2	4	12.1	36.3	1088
Federal 3-21 #2	1.995	5,808	126.08	250	3	8	2.224	6.7	0	0.0	6.7	200
Federal 3-21 #4	1.995	5,698	123.69	120	16	6	1.112	17.8	0.5	1.5	19.3	578
Federal 3-21 #5	1.995	6,086	132.11	145	8	7	1.407	11.3	0	0.0	11.3	338
Federal 6-22	1.751	5,710	95.49	235	4	6	1.589	6.4	1	1.1	7.4	222
Federal 2-26	1.995	5,586	121.26	135	24	4	1.211	29.1	0	0.0	29.1	872
Federal 1-22 #1	1.995	5,417	117.59	205	8	7	1.722	13.8	0	0.0	13.8	413
Federal 1-22 #2	1.995	5,620	122.00	130	16	8	1.178	18.8	0	0.0	18.8	565
Federal 4-26	1.995	5,448	118.26	145	3	4	1.260	3.8	2	1.9	5.7	170
Smith 4	1.995	5,935	128.84	230	2	10	2.101	4.2	0	0.0	4.2	126
Smith 5	1.995	6,015	130.57	140	20	8	1.347	26.9	1	3.4	30.3	909
Nancy 3	1.995	6,100	132.42									0
Nancy 4	1.995	6,930	150.43								8	240
Nancy 5	1.995	6,950	150.87								9	270
Federal 1-27	1.995	5,734	124.47	290	2	6	2.527	5.1	0	0.0	5.1	152
Ernest 1	1.751	5,645	94.40	370	8	8.5	2.419	19.4	0	0.0	19.4	581
Ernest 2	1.995	5,650	122.65	195	24	7	1.714	41.1	1.5	8.8	50.0	1499
Total											443.2	13296
EGU (see page 2)											171.3	5138
TOTAL KINNEY:											614.5	18434

	Tubing	Tubing	Tubing	Tubing	Trips/	Minutes	Gas/trip	Volume	After	Gas	Total	Total
	Size (ID)	Depth	Volume	Pressure	Day	per		per day	flow	Volume	Daily	monthly
WELL:	(inches)		(cu.ft.)	(psig)		trip	(mcf)	(mcfd)	(min.)	(mcf)	(mcfd)	(mcf)
Escrito Gallup Unit												
2 Nancy 2	1.995	5,976	129.73				0.130	0.0				0
3 Smith 2	1.995	5,890	127.86				0.128	0.0				0
4 Federal 2-7	1.995	5,896	127.99				0.128	0.0			5.0	150
6 Elizabeth 2	1.995	5,801	125.93	645	0	0	5.532	0.0	0		0.0	0
9 Elizabeth 5	1.751	6,043	101.05	300	1	13	2.119	2.1	0	0.0	2.1	64
10 Federal 3-19	1.995	6,105	132.53	195	2	7	1.852	3.7	0	0.0	3.7	111
15 Federal 3-20 #1	1.751	6,120	102.34	385	1	8	2.725	2.7	0	0.0	2.7	82
19 Smith 1	1.995	5,880	127.64	165	10	9	1.529	15.3	0	0.0	15.3	459
20 Elizabeth 6	1.995	5,886	127.77	230	1	8	2.084	2.1	0	0.0	2.1	63
21 Smith 3	1.995	5,890	127.86	270	1	5	2.425	2.4	0	0.0	2.4	73
22 Elizabeth 7	1.995	6,115	132.74	210	12	8	1.988	23.9	0	0.0	23.9	716
24 Federal 3-21 #3	1.995	5,960	129.38	185	6	11	1.722	10.3	0	0.0	10.3	310
25 Elizabeth 8	1.995	6,060	131.55	165	6	9	1.576	9.5	0	0.0	9.5	284
26 Elizabeth 9	1.995	6,080	131.98	165	12	9	1.581	19.0	1	2.1	21.1	633
27 Federal 3-19 #2	1.995	5,970	129.59	190	4	13	1.768	7.1	0.5	0.3	7.3	220
28 Federal 3-20 #2	1.995	6,115	132.74	115	24	7	1.149	27.6	0	0.0	27.6	827
29 Federal 3-20 #3	1.995	6,130	133.07	105	24	8	1.063	25.5	4	12.8	38.3	1148
TOTAL EGU:											171.3	5138

Kinney Compressor Drip Tank					
Dec-97					
	Ticket #1	Ticket #2	Ticket #3	Total	
Date	12/24/97				
Ticket #	188691				
Gross Bbls	81			81	
Net Bbls	92.27			92.27	
Price less gravity				0	
Gross value				0	
	Mcf				
	Production	Gross	Net	Allocated	Gross
Well Name	Prior Month	Bbls	Bbls	Percentage	Value
Stephenson 1-22	182	1.3	1.4	1.55%	
Lybrook 2R	1386	9.6	10.9	11.83%	
Lybrook 6-22	116	0.8	0.9	0.99%	
Byrd 6-23	365	2.5	2.9	3.12%	
Byrd 5-23	507	3.5	4.0	4.33%	
Lybrook 7-27 1	1492	10.3	11.8	12.74%	
Lybrook 4-22	313	2.2	2.5	2.67%	
Lybrook 7-27 2	681	4.7	5.4	5.81%	
Federal 3-21 2	163	1.1	1.3	1.39%	
Federal 3-21 4	548	3.8	4.3	4.68%	
Federal 3-21 5	261	1.8	2.1	2.23%	
Federal 6-22	0	0.0	0.0	0.00%	
Federal 2-26	803	5.6	6.3	6.86%	
Federal 1-22 1	441	3.0	3.5	3.77%	
Federal 1-22 2	381	2.6	3.0	3.25%	
Federal 4-26	162	1.1	1.3	1.38%	
Federal 1-27	118	0.8	0.9	1.01%	
EGU 6 Elizabeth 2	0	0.0	0.0	0.00%	
EGU 9 Elizabeth 5	46	0.3	0.4	0.39%	
EGU 10 Federal 3-19	116	0.8	0.9	0.99%	
EGU 12 Judy 2	0	0.0	0.0	0.00%	
EGU 13 Colleen 1	0	0.0	0.0	0.00%	
EGU 15 Federal 3-20 1	53	0.4	0.4	0.45%	
EGU 16 State 2-16	0	0.0	0.0	0.00%	
EGU 19 Smith 1	291	2.0	2.3	2.48%	
EGU 10 Elizabeth 6	55	0.4	0.4	0.47%	
EGU 22 Elizabeth 7	223	1.5	1.8	1.90%	
EGU 23 Judy 3	0	0.0	0.0	0.00%	
EGU 24 Federal 3-21 3	227	1.6	1.8	1.94%	
EGU 25 Elizabeth 8	236	1.6	1.9	2.02%	
EGU 26 Elizabeth 9	474	3.3	3.7	4.05%	
EGU 27 Federal 3-19 2	202	1.4	1.6	1.72%	
EGU 28 Federal 3-20 2	664	4.6	5.2	5.67%	
EGU 29 Federal 3-20 3	1206	8.3	9.5	10.30%	
Ernest 2	0	0.0	0.0	0.00%	
TOTAL	11712	81.0	92.3	100.00%	
API GRAVITY: 50.1		81.0			

Escrito Gallup Unit Drip Tank						
Apr-98						
		Ticket #1	Ticket #2	Ticket #3	Total	
Date		4/3/98				
Ticket #		204571				
Gross Bbls		24			24	
Net Bbls		23.72			23.72	
Price less gravity					0	
Gross value					0	
		Mcf				
		Production	Gross	Net	Allocated	Gross
Well Name		Prior Month	Bbls	Bbls	Percentage	Value
EGU 21 (Smith 3)		0	0.0	0.0	0.00%	
Smith 4		153	2.1	2.1	8.88%	
Smith 5		1075	15.0	14.8	62.39%	
Nancy 3		0	0.0	0.0	0.00%	
Nancy 4		223	3.1	3.1	12.94%	
Nancy 5		223	3.1	3.1	12.94%	
Federal 2-7 (EGU 4)		49	0.7	0.7	2.84%	
Total		1723	24.0	23.7	100.00%	
	API GRAVITY: 65.0					
EGU.XLS						

R8W R7W

T24N

CROW CANYON

ROCKHOUSE MESA

BLUE MESA

Nancy 4

Smith 5

2-7 Fed.

Adams 4

Smith 2

2 Eliz

Elizabeth 4

EGU Drip Tank

Smith 3

7 Eliz

5 Eliz

EGU

Smith 1

6 Eliz

EGU 26

BCO Camp

EGU 18

EGU 24

3-19 #1

3-20

3-21

#2

Stephenson 1-22

6-22

4-22

22-28

1-22

KINNEY COMPRESSOR

KINNEY DRIP TANK

EPNG SALES METER

RINCON

5-23

ERNEST 1

ERNEST 2

7-27

2-26

4-26

UNICON F-27-24-7

1-27

TRANS LINE

Crow Canyon

Little Blue Mesa

Q wtr well

EXHIBIT F