

EXHIBIT 2

DAKOTA FORMATION

UNIT	INITIAL CONDITIONS			CURRENT CONDITIONS			AVERAGE Qi (MCFD)	AVERAGE EUR (BCF)
	WHSIP (PSI)	BHSIP (PSI)	Z	BHSIP/Z (PSI)	WHSIP (PSI)	BHSIP (PSI)	Z	BHSIP/Z (PSI)
SAN JUAN 29-5 UNIT	2570	2981	0.92	3240	1055	1224	0.93	1316
SAN JUAN 30-5 UNIT	2941	3412	0.93	3669	2457	2850	0.92	3098

DAKOTA

CAPITAL EXPENSES (M\$)

1. SINGLE COMPLETION:

	<u>TANGIBLE</u>	<u>INTANGIBLE</u>	<u>TOTAL</u>
DRILL & COMPLETE	\$103.05	\$324.91	\$427.96
FACILITIES	\$13.50	\$16.50	\$30.00
TOTAL	\$116.55	\$341.41	\$457.96

2. DUAL COMPLETION:

	<u>TANGIBLE</u>	<u>INTANGIBLE</u>	<u>TOTAL</u>
DRILL & COMPLETE	\$77.50	\$328.85	\$406.35
FACILITIES	\$13.50	\$16.50	\$30.00
TOTAL	\$91.00	\$345.35	\$436.35

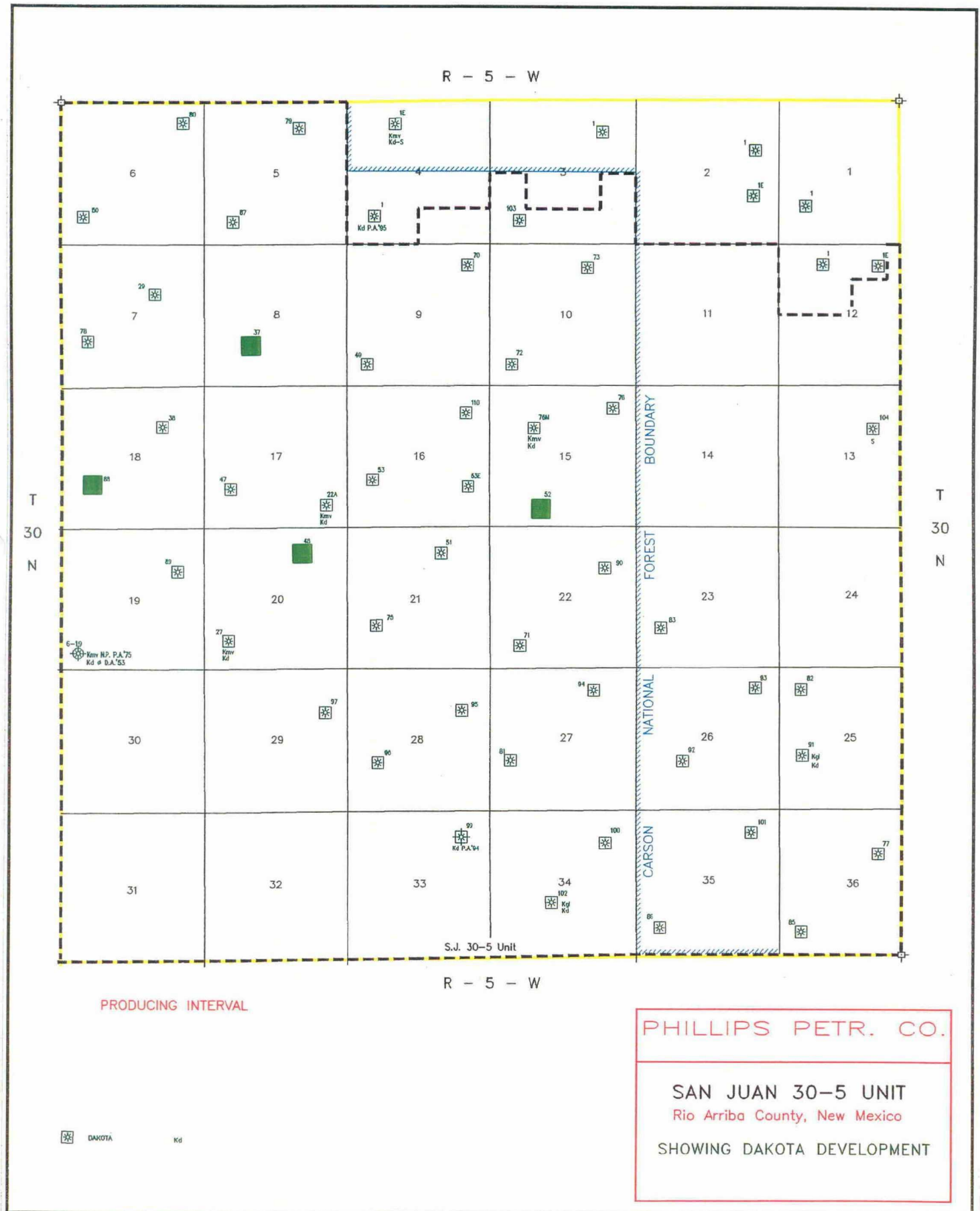
3. COMMINGLE COMPLETION:

	<u>TANGIBLE</u>	<u>INTANGIBLE</u>	<u>TOTAL</u>
DRILL & COMPLETE	\$66.59	\$247.22	\$313.81
FACILITIES	\$6.75	\$8.25	\$15.00
TOTAL	\$73.34	\$255.47	\$328.81

DAKOTA
OPERATING COSTS (M\$/YEAR)

	<u>SAN JUAN 29-5 UNIT</u>	<u>SAN JUAN 30-5 UNIT</u>
1. SINGLE COMPLETION:	\$5.298	\$5.615
2. DUAL COMPLETION:	\$4.503	\$4.773
3. COMMINGLE COMPLETION:	\$4.267	\$3.915

Exhibit 2.5



SAN JUAN 30-5 UNIT DAKOTA

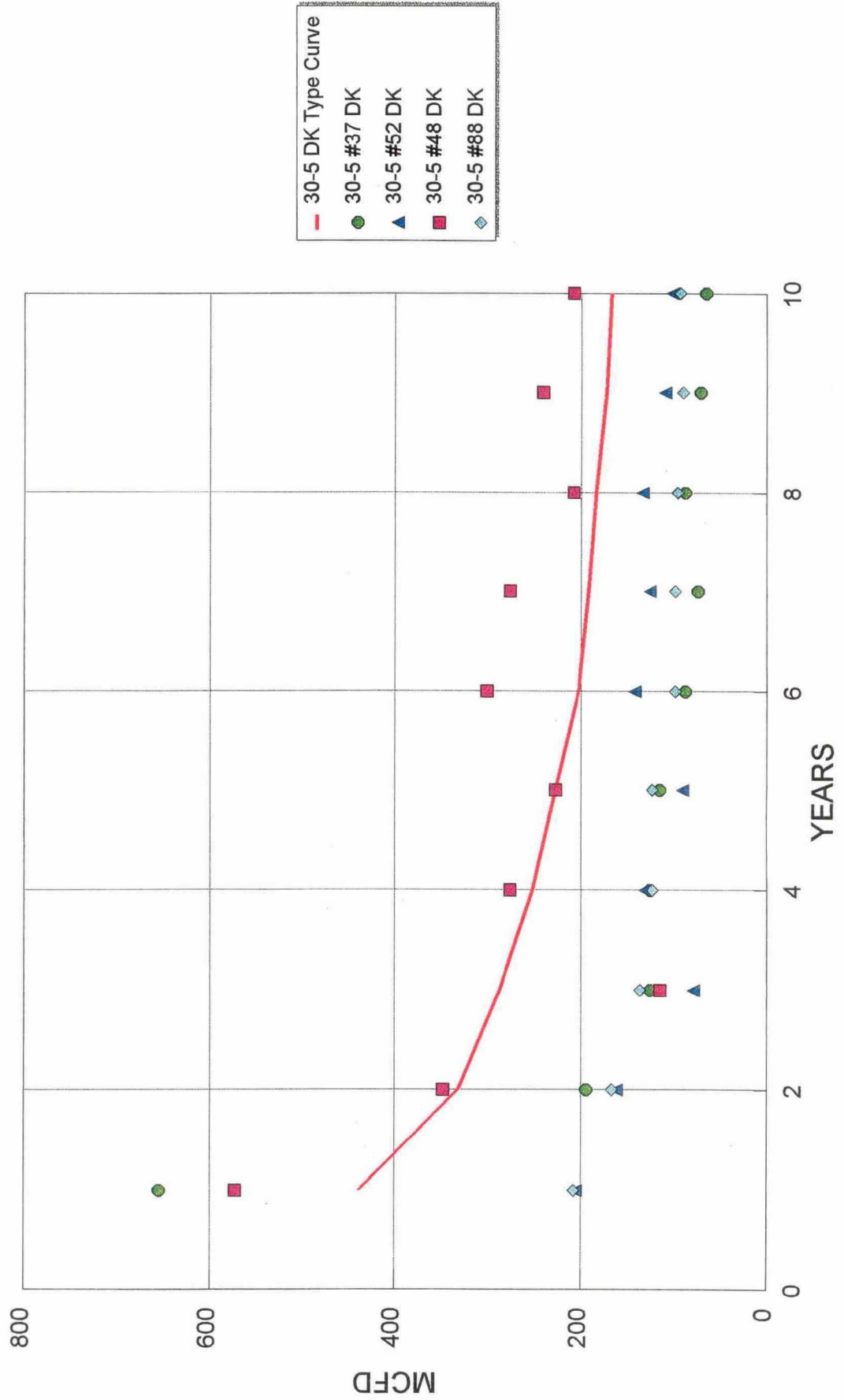
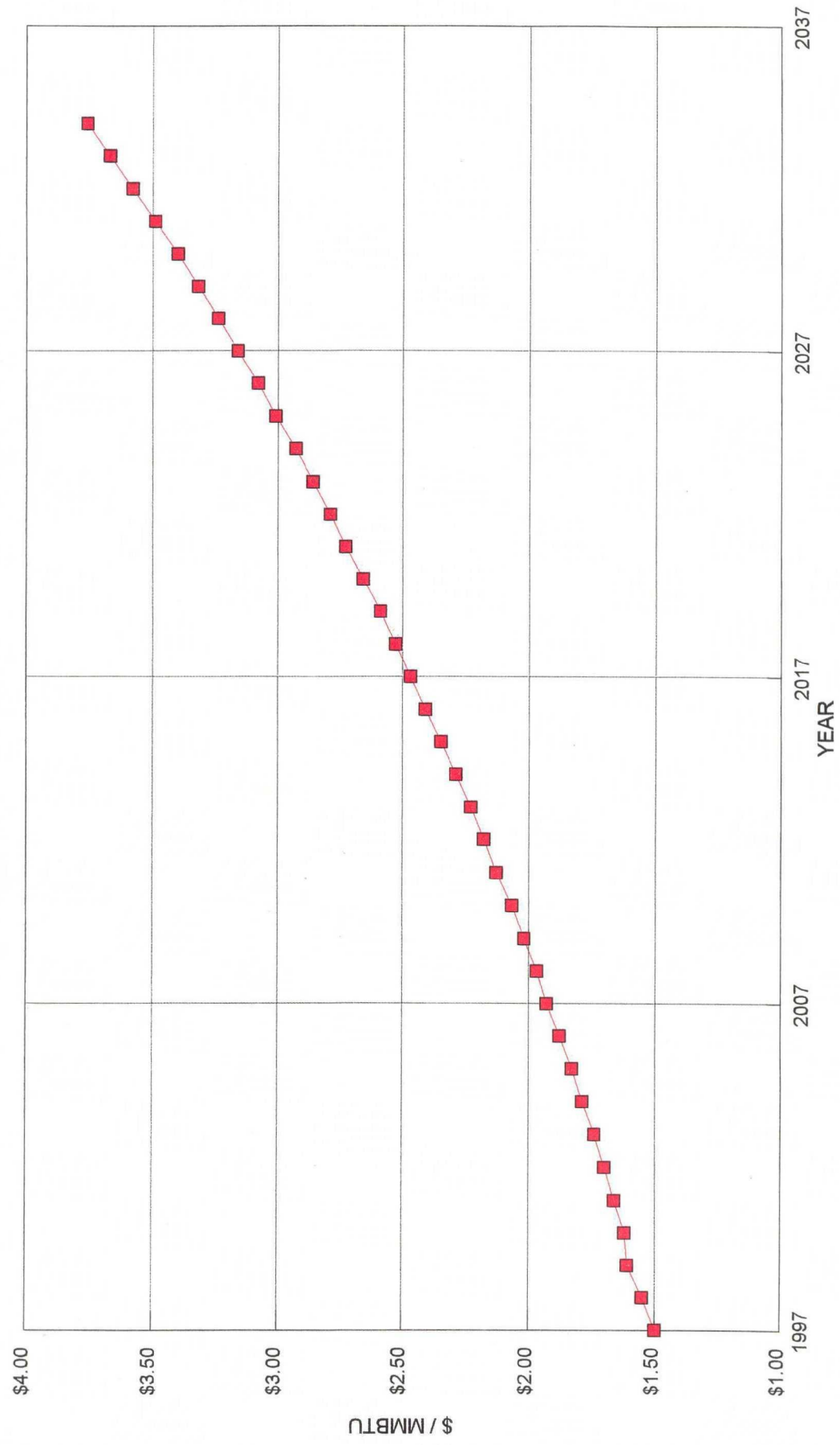


Exhibit 2.6

San Juan Basin Gas Price Forecast

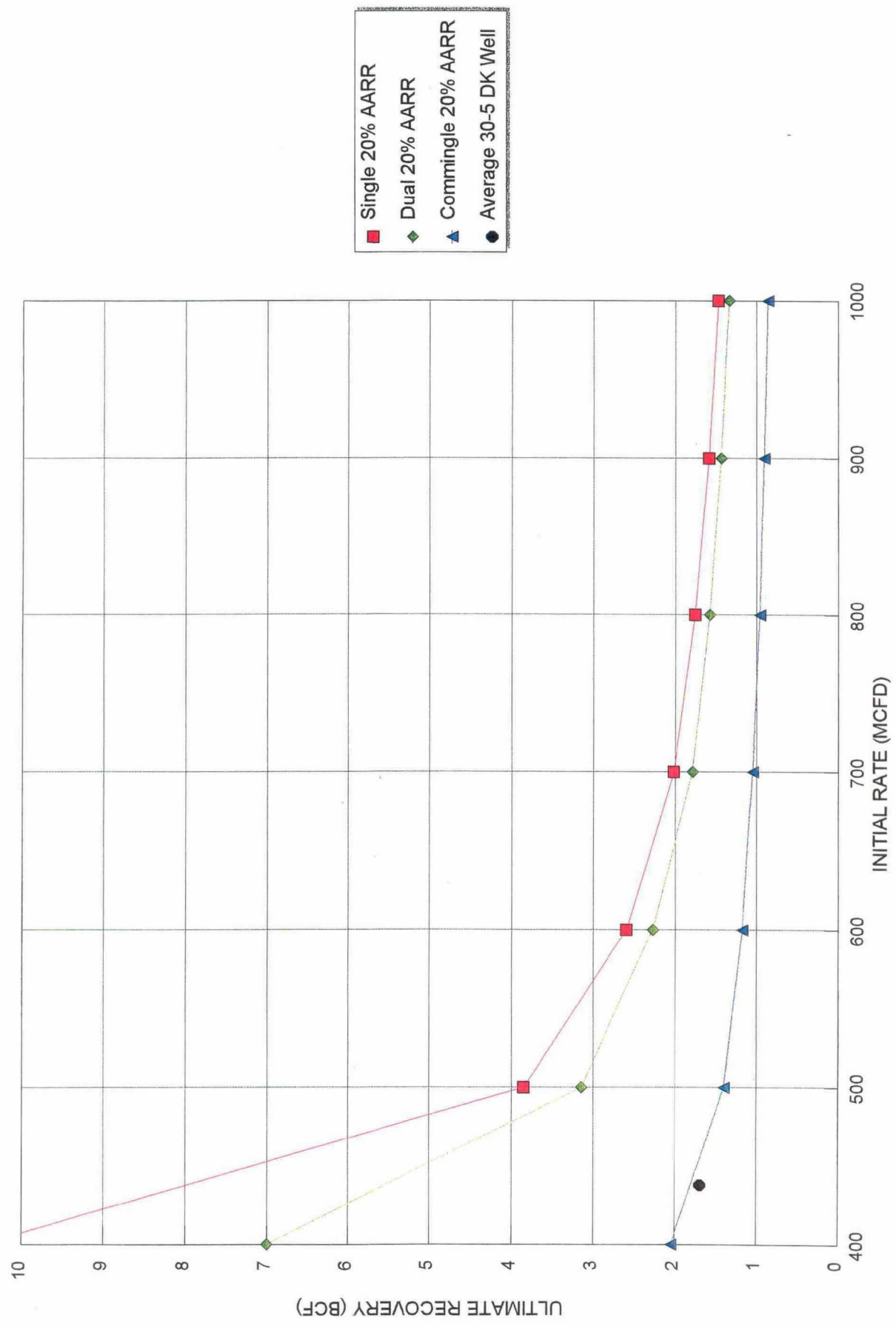
NYMEX - September 3, 1996



[BTU / Cu.Ft.: SJ 30-5 MV - 1030; SJ 30-5 DK - 1000 1997 Netback (\$/MCF): SJ 30-5 MV - \$0.97; SJ 30-5 DK - \$0.97]

Exhibit 2.7

SAN JUAN 30-5 UNIT
DAKOTA ECONOMIC LIMITS



San Juan 30-5 Unit
Summary of Development Drilling Economics

<u>Well Type</u>	<u>Mesaverde</u>		<u>Dakota</u>	
	<u>Cost</u> <u>(\$000)</u>	<u>AARR</u>	<u>Cost</u> <u>(\$000)</u>	<u>AARR</u>
Single Well	405	12.3%	458	10.3%
Dual Well	368	14.3%	436	11.5%
Down-hole Commingle	285	20.6%	329	17.6%

**San Juan 30-5 Unit
Gas Price Sensitivities
New Downhole Commingled Drill Well**

<u>Gas Price</u>	<u>1997 Posting (/MMBTU)</u>	<u>Mesaverde</u>		<u>Dakota</u>	
		<u>Cost (\$000)</u>	<u>AARR</u>	<u>Cost (\$000)</u>	<u>AARR</u>
Base	\$1.50	285	20.6%	329	17.6%
Base + 20%	\$1.80	285	26.8%	329	22.8%
Base + 33%	\$2.00	285	31.1%	329	26.1%