

Economic Summary

SE/4 Section 25 - T25NR03W

New Drill Gallup Dakota

\$ 500,000 Investment, 388 MMCF & 14.2 MBO Gross

22.1 % ROR

334.4 M\$ NPV @ 10%

New Drill Gallup Dakota & Mesaverde

\$ 550,000 Investment, 454 MMCF & 23.8 MBO Gross

25.3 % ROR

478.0 M\$ NPV @ 10%

Incremental Mesaverde, 66 MMCF & 9.6 MBO

\$ 50,000 Investment

> 40.0 % ROR

143.6 M\$ NPV @ 10%

PV Date 09/2001
100% WI
82.5 % NRI
\$ 4.50 / MCF
\$ 26.90 / Bbl
\$ 0.50 / MCF transport
\$ 545 / Mo Overhead
\$ 600 / Mo Direct

DJ Simmons