

Windfohr 4 Federal #3

Allocation Formula

Well Name	Producing Formation	*Daily Production Test	% of Total Oil
		31-34 day average	
Windfohr 4 Fed #3	(51300) Red Lake (Q-GB-SA)	64 BO/72 MCF/183 BW	60 %
Windfohr 4 Fed #3	(51120) Red Lake; Glorieta-Yeso,	42 BO/58 MCF/462 BW	40 %

* From attached production plots

The above production test represents stable production from the San Andres and the Yeso. We believe these rates of production represent an acceptable means to allocate production.