

RESERVE ALLOCATION

A summary of the recoverable reserves is given below effective 7/1/1999 with cumulative reserves shown at 11/30/98:

Zone	Intervals	Cum MMF	Recoverable MMF	Remaining MMF	Remaining % of Total	Reserves by
Strawn	10203-304	336	387	51	17.0%	R/T & MB
Morrow	11288-612	337	585	248	83.0%	R/T & MB
Total		673	972	299	100.0%	

If the above allocation is acceptable, then the following reallocation of production could be made:

Month/Yr	As Reported			Corrected Allocation		
	Strawn MCF	Morrow MCF	Total MCF	Strawn MCF	Morrow MCF	Total MCF
Dec-98	4,055	1,542	5,597	951	4,646	5,597
Jan-99	18	5,492	5,510	937	4,573	5,510
Feb-99		7,104	7,104	1,208	5,896	7,104
Mar-99		7,185	7,185	1,221	5,964	7,185
Apr-99		7,032	7,032	1,195	5,837	7,032
May-99		7,394	7,394	1,257	6,137	7,394
Jun-99		7,096	7,096	1,206	5,890	7,096
Total	4,073	42,845	46,918	7,976	38,942	46,918
% of	8.7%	91.3%	100.0%	17.0%	83.0%	100.0%
Change				3,903	(3,903)	0