

ALLOCATION PROCEDURES AND TIMELINES CROW FLATS 3,10,& 11 WELLS

Three well sales meter allocation provided to Duke: Nearburg will collect wellhead integration and Duke sales meter volumes. Nearburg will provide Duke a pro-rata allocation using the above volumes. The allocation will be based on the wellhead integrated volumes. Duke will input the allocated volumes per well into their system. Subsequently, their system will create a statement for each well.

Production Reporting to State and BLM: Nearburg will provide the above allocation to Concho on a timely basis. Concho will file C115's and OGOR's on their wells. Nearburg will file the reports on their well. The production reports will be prepared using the same allocation procedure as Nearburg used previously.

Revenue Allocation: Duke will disburse 100% of all three wells under the current contract to Nearburg. Nearburg will prepare the revenue allocation for the three wells. Nearburg will disburse 100% of the amount received for the Crow Flats 3 & 11 wells to Concho. Nearburg will provide the purchaser statements to Concho upon receipt of such statement. Concho will therefore be able to make timely revenue, royalty and tax payments.

Required Timelines:

- 1) Production Allocation -- 12th day after production month
- 2) C115 -- 45 days after production month
- 3) OGOR -- 45 days after production month
- 4) Revenue Allocation -- 30 days after production month
- 5) State Taxes -- 45 days after production month
- 6) Blm Royalties -- 30 days after production month

OIL CONSERVATION DIVISION

CASE NUMBER 12874

EXHIBIT 8

Duke Energy Field Services, Inc.

370 17th Street, #900 Denver CO 80202

Daily Average Volume Report

05/07/2002
09:17:28
DCCCHAPMAN

Status: Closed

From 04/01/2002 to 04/30/2002

Master Meter List: DCC-Aud Nearburg Prod. - Rue Landon (DCC-Aud Nearburg Prod. - Rue Landon)

***** @ Pressure Base 14,650 *****

Meter ID	Meter Name	Alternate ID	Average Gravity	Average Pressure	Average Temp	DP	Average Flow Hours	Average BTU	Average Daily Volume	Total Volume	Average Daily Energy	Total Energy
15646-00	QUAIL RIDGE '3' FEDERAL #1		0.8570	23.78	71.65	24.81	315.67	1262.2	31	916	39	1,157
30733-00	SOLEDAD 19M		0.8760	26.81	66.91	0.03	0.11	47.3	0	0	0	0
31720-00	DAWSON '78'		0.8113	25.80	71.26	3.11	718.55	1280.3	127	3,812	163	4,880
31722-00	DAWSON-EXXON '77' #1		0.8280	28.73	75.18	8.60	719.51	1328.8	47	1,406	62	1,867
31724-00	BAYVIEW '12'		0.8327	19.34	73.22	22.02	363.26	1316.1	16	485	21	638
31726-00	CASTLE CAP '3' #1		0.8040	18.99	72.23	1.59	601.98	1315.2	19	563	25	740
38199564	JOHNSON RANCH 28 STATE CO		0.6000	10.27	70.54	0.00	0.00	0.0	0	0	0	0
708252-00	CROW FLATS '10' FEDERAL #1		0.6960	53.74	72.58	19.06	720.00	1167.6	346	10,374	404	12,112
708288-00	MUCHO MESA 24 STATE		0.6625	37.57	69.91	6.24	720.00	1136.4	156	4,690	178	5,330
709831-00	GAZELLE '31' FEDERAL #1		0.6947	37.31	70.22	6.65	720.00	1181.3	214	6,420	253	7,584
711258-00	ANTLER '17' STATE #1		0.6995	40.12	72.53	27.33	719.61	1191.3	192	5,773	229	6,877
711261-00	CUERNO '4' STATE #1		0.6530	35.49	72.82	27.25	492.48	1035.1	198	5,935	205	6,144
711262-00	BADGER '30' STATE #1		0.6360	30.95	73.94	22.67	620.44	1101.8	441	13,220	486	14,566
711263-00	AZTEC 14 FED COM #1		0.6000	12.89	70.29	0.00	0.00	0.0	0	0	0	0
711264-00	VIPER 3 FEDERAL #1		0.6681	39.39	62.59	15.24	720.00	1131.1	1414	42,409	1,599	47,969
711265-00	GRAMMA RIDGE EAST '34' STAT		0.6360	59.54	47.37	1.08	19.17	1097.0	7	206	8	226
711266-00	IRON HOUSE #1		0.7265	23.38	66.67	0.81	701.31	982.9	124	3,714	122	3,650
711356-00	RANCHO VERDE '10' STATE COM		0.9823	20.21	69.05	5.11	298.28	1533.7	11	344	18	528
711522-00	ENTERPRISE 32 ST COM #1		0.6630	42.14	71.59	17.26	719.92	1137.6	158	4,731	179	5,382
711554-00	PATHFINDER '19' STATE COM #1		0.6320	21.60	63.18	75.26	554.07	1090.1	126	3,794	138	4,136
713896-00	MADURO FED UNIT #5		0.6751	601.37	76.78	20.19	719.66	1149.6	1389	41,677	1,597	47,911
713930-00	DIAMONDBACK 24 FED		0.6953	49.70	65.01	11.22	407.72	1171.7	342	10,261	401	12,022
714381-00	NEARBURG INDIAN HILLS SYSTE		0.6070	73.18	64.75	56.86	720.00	1049.6	3799	113,965	3,987	119,618
714804-00	SAGEBRUSH 24 FED COM		0.8776	40.91	72.60	17.83	700.46	1166.6	68	2,052	80	2,394
714985-00	KUDU 9 FEDERAL COM #1		0.6791	37.05	68.60	15.64	707.32	1154.3	43	1,282	49	1,479
714987-00	DIAMONDBACK 25 FED COM #1		0.7254	43.67	73.94	27.72	719.96	1226.2	309	9,279	379	11,378
76598-00	#1 BUFFALO '10' FED. COM.		0.6578	43.92	68.91	11.03	720.00	1126.0	205	6,145	231	6,919
76777-00	#1 BUFFALO '21' STATE COM		0.6850	44.97	67.93	32.54	720.00	1167.1	514	15,422	600	18,000
76877-00	#1 MINIS FEDERAL COM		0.6825	47.72	68.94	11.44	718.37	1158.6	66	1,995	77	2,311
82028-00	FEDERAL LS #1		0.8055	22.35	70.32	6.90	281.89	1292.2	11	317	14	410
94550-00	KIMBROUGH 20 ST #1-Y		0.8520	33.93	66.73	84.50	712.26	1357.5	284	8,525	386	11,572

FOILTCH GAS SERVICES, INC.
VOLUME RECAP

NEARBURG - CROW FLATS

APRIL, 2002

STATION	STATION NAME	MCF	BTU	MMBTU	MCF/D	MMBTU/D	PSIG	GRAVITY	HOURS
260005	DUKE ENERGY - CROW FLATS "3" FED #1	290	1.1430	331	10	11	54	0.706	711.7
260010	DUKE ENERGY -CROW FLATS "10" FED #1	9,544	1.1726	11,191	318	373	68	0.686	720.0
260015	DUKE ENERGY-CROW FLATS"11"FED COM#1	386	1.1824	456	13	15	70	0.693	718.3
	2 DIGIT TOTAL	10,220		11,979					

Gas Gathering System - Allocation for Duke Wells Under Various Contracts

APRIL 2002

Purchaser: Duke Energy Field Services

Property	Property No.	Meter No.	Duke Mtr. Mcf @ 15.025 sat	Duke Mtr. Mcf @ 14.65 sat	Btu Factor @ 14.65 sat	Gross Wellhead MMBtu
CROW FLATS 3 FED NO. 1	556146	708254SC	287	294	1.1676	343
CROW FLATS 10 FED NO. 1	556147	708252SC	9,446	9,688	1.1675	11,311
CROW FLATS 11 FED NO. 1	556148	708253SC	382	392	1.1675	458
TOTAL						



Recipient: 629400
05-16-2002
12:30-08PM
NEWATRIPS PRODUCING COMPANY

Statement Date: May 16, 2002

		Settlement Summary				
System	0636	Component Value	Residue Value	Fees & Adjustments	Gross Value	Net Value
Rate per MCF:	3.75602					
Rate per MMBTU:	3.21701	\$ 293.08	\$ 811.20	\$ 0.00	\$ 1,104.27	\$ 1,104.27

Residue Settlement										
Net Delivered MMBTU	Shrink	Fuel/Flare	Theoretical Residue	Allocated Residue	Net Residue MCF	Net Residue MMBTU	Settlement %	Settlement Residue	Price	Residue Value
343.26	0.00	0.00	343.26	343.26	303.68	303.68	84.00	255.09	3.1800	\$ 811.20

Fees / Adjustments		Fee Rate	Value
Plant Product Volumes			
Plant BTU		1.0000	

Analysis	
Components	Mol % GPM
Nitrogen	0.9300
Carbon Dioxide	0.3900
H2S	0.0000
Other Inerts	0.0000
Methane	84.1400
Ethane	8.2900 2.2038
Propane	3.3300 0.9119
Iso Butane	0.4500 0.1464
Nor Butane	0.9900 0.3104
Iso Pentane	0.2800 0.1019
Nor Pentane	0.2700 0.0973
Hexanes Plus	0.9300 0.4035
Totals	100.0000 4.1752

Contacts	
Primary:	RACHAEL DEAL (915) 620-4130
Measurement:	DENA RAGSDALE (505) 397-5507
Taxes:	ROGER RADEBAUGH (918) 523-1169
Contracts: CHIP SHORT (915) 620-4056	
Comments	



Production Date: April 2002
Statement Date: May 16, 2002

PERCENT OF PROCEEDS STATEMENT

(Fixed Recovery)

Recipient: 629400
NEARBY

05/16/2002
12:30:08PM

Settlement Summary						
System	0636	Component Value	Residue Value	Fees & Adjustments	Gross Value	Net Value
Rate per MCF:	3.75597					
Rate per MMBTU:	3.21703	\$ 390.77	\$ 1,081.57	\$ 0.00	\$ 1,472.34	\$ 1,472.34

Residue Settlement										
Net Delivered MMBTU	Shrink	Fuel/Flare	Theoretical Residue	Allocated Residue	Net Residue MCF	Net Residue MMBTU	Settlement %	Settlement Residue	Price	Residue Value
457.67	0.00	0.00	457.67	457.67	404.90	404.90	84.00	340.12	3.1800	\$ 1,081.57

Fees / Adjustments		Fee Rate	Value
Plant Product Volumes			
Plant BTU	1.0000		

Analysis		GPM
Components	Mol %	
Nitrogen	0.9300	
Carbon Dioxide	0.3900	
H2S	0.0000	
Other Inerts	0.0000	
Methane	84.1400	
Ethane	8.2900	2.2038
Propane	3.3300	0.9119
Iso Butane	0.4500	0.1464
Nor Butane	0.9900	0.3104
Iso Pentane	0.2800	0.1019
Nor Pentane	0.2700	0.0973
Hexanes Plus	0.9300	0.4035
Totals	100.0000	4.1752

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A New Kind of Energy

Production Date: April 2002

Statement Date: May 16, 2002

PERCENT OF PROCEEDS STATEMENT
(Fixed Recovery)

Recipient: 629400

NEARBURG PRODUCING COMPANY

05.16.2002

12:30-08PM

NEARBURG PRODUCING COMPANY					
Lease Information					
Settle ID	Payment ID	Lease Name	Facility Name	State	Operator Name/ID
708252SC	063670825200	CROW FLATS 10 FEDERAL #1	LOGAN DRAW	NM	LIN011300C
					NEARBURG PRODUCING COMPANY
					629400
					Pressure Base 14650

Settlement Summary

System	0636	Component Value	Residue Value	Fees & Adjustments	Gross Value	Net Value
Rate per MCF:	3.75599					
Rate per MMBTU:	3.21703	\$ 9,657.57	\$ 26,730.44	\$ 0.00	\$ 36,388.01	\$ 36,388.01

Wellhead Information

Gross W/H Mcf:	9,688.00
Allocation Decimal:	1.0000000
Paystation Mcf:	9,688.00
Raw Field Deducts:	9,688.00
MCF-Net Delivered:	9,688.00
Wellhead BTU (14.65W):	1.1675
MMMBTU-Net Delivered:	11,311.07
Gas Factor:	0.0000
Z Factor:	0.0000

Component Settlement

	Theoretical Gallons	Fixed Recoveries	Allocated Gallons	Shrink MMBTU	Contract %	Settlement Gallons	Price	Component Value
ETHANE	21,350.41	0.7600	16,226.31	0.00	84.00	13,630.10	0.2215	\$3,019.41
PROPANE	8,834.49	0.9879	8,727.59	0.00	84.00	7,331.18	0.3618	\$2,652.07
ISO-BUTANE	1,418.32	1.0000	1,418.32	0.00	84.00	1,191.39	0.4846	\$577.37
NORMAL BUTANE	3,007.16	0.9492	2,854.40	0.00	84.00	2,397.69	0.3942	\$945.23
PENTANES PLUS	5,838.96	0.9174	5,356.66	0.00	84.00	4,499.60	0.5475	\$2,463.49
	40,449.34		34,583.28	0.00		29,049.96		\$9,657.57

Residue Settlement

Net Delivered MMBTU	Shrink	Fuel/Flare	Theoretical Residue	Allocated Residue	Net Residue MCF	Net Residue MMBTU	Settlement %	Settlement Residue	Price	Residue Value
11,311.07	0.00	0.00	11,311.07	11,311.07	10,006.90	10,006.90	84.00	8,405.80	3.1800	\$ 26,730.44

Fees / Adjustments	Fee Rate	Value
Plant Product Volumes		
Plant BTU	1.0000	

Analysis		
Components	Mol %	GPM
Nitrogen	0.9300	
Carbon Dioxide	0.3900	
H ₂ S	0.0000	
Other Inerts	0.0000	
Methane	84.1400	
Ethane	8.2900	2.2038
Propane	3.3300	0.9119
Iso Butane	0.4500	0.1464
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