PROJECTED PRESENT VALUE
HIXON DEVELOPMENT COMPANY
EVANS NO. 1
5D, T24N, R2W
RIO ARRIBA CO. NM

GAVILAN MANCOS OIL POOL

Exhibit " 8 "

Application for for Downhole Commingling and a Non-Standard Oil Proration Unit ~ Case No. 9969 June 27, 1990
Evans No. 1 Well
790'FNL, 790' FWL 5-T24N-R2W, N.M.P.M.
Rio Arriba County, New Mexico

Hixon Development Company
Post Office Box 2810
Farmington, New Mexico 87499
505-326-3325

SECTION 5D, T24N, R2W
PRODUCING ONLY MANCOS

* E C O N P R O G R A M *
AS OF 7 / 1990

DATE: 06-26-1990
TIME: 13:23:07
FILE: EVANSGAL

END MO-YR	NO. WELLS	* GROSS PRODUCTION * OIL MBBL	GAS MMCF	* NET PRODUCTION * OIL MBBL	GAS MMCF	* PRICES * OIL $/B	GAS $/M	* * * * NET REVENUE * * * * OIL M$	GAS M$	OTHER M$	TOTAL M$
12-90	0.5	14.390	28.781	11.692	23.384	15.50	1.30	181.229	30.400	0.000	211.629
12-91	1.0	14.078	28.156	11.438	22.876	15.50	1.30	177.292	29.739	0.000	207.032
12-92	1.0	5.209	10.418	4.232	8.464	15.50	1.30	65.598	11.004	0.000	76.602
12-93	1.0	1.927	3.855	1.566	3.132	15.50	1.30	24.271	4.071	0.000	28.343
REM.	0.0	0.000	0.000	0.000	0.000	0.00	0.00	0.000	0.000	0.000	0.000
TOT.	0.0	35.604	71.209	28.928	57.857	15.50	1.30	448.391	75.214	0.000	523.605

YR	ADVALOREM & PROD TAX M$	WINDFALL TAXES M$	OPERATING EXPENSES M$	TOTAL EXPENSES M$	OPERATIONAL CASH FLOW M$	*** NET INVESTMENTS *** TANGIBLE M$	INTANGIBLE M$	LEASEHOLD M$	CASH FLOW M$	10.0% CUM DISC C.F. M$
90	20.097	0.000	6.000	26.097	185.532	0.000	50.000	0.000	135.532	131.232
91	19.661	0.000	12.000	31.661	175.371	0.000	0.000	0.000	175.371	290.720
92	7.275	0.000	12.000	19.275	57.327	0.000	0.000	0.000	57.327	338.116
93	2.692	0.000	12.000	14.692	13.651	0.000	0.000	0.000	13.651	348.376
REM	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOT	49.724	0.000	42.000	91.725	431.881	0.000	50.000	0.000	381.881	348.376

PROFITABILITY INDICATORS		REVERSION POINTS(YRS)				PRESENT WORTH PROFILE %----	M$--------
PAYOUT (YRS)	0.13	INITIAL W.I.	100.0000	ULTIMATE OIL (MBBL)	35.6	5.0	364.134
DISCOUNTED PAYOUT (YRS)	0.14	FINAL W.I.	100.0000	ULTIMATE GAS (MMCF)	71.2	10.0	348.376
DCF RATE OF RETURN (%)	100.00	INITIAL NRI OIL	81.2500	BTU RATING	1000	15.0	334.293
INCOME/INVESTMENT	8.64	FINAL NRI OIL	81.2500	WINDFALL TIER	0	20.0	321.632
DISC INCOME/INVESTMENT	7.97	INITIAL NRI GAS	81.2500	MAJOR PHASE	OIL	25.0	310.187
PROJECT LIFE (YRS)	3.50	FINAL NRI GAS	81.2500	PROB. OF SUCCESS (%)	100.00	30.0	299.790
						40.0	281.611
GAVILAN		RIO ARRIBA				50.0	266.240
EVANS NO. 1		NM				70.0	241.650
GAVILAN MANCOS		HIXON DEVELOPMENT CO.				100.0	214.967

INPUT DATA REPORT

DATE : 06-26-1990
TIME : 13:22:47
FILE : EVANSGAL

LSE ID CODE HIXON
LEASE NAME GAVILAN
WELL NAME EVANS NO. 1
FIELD NAME GAVILAN MANCOS
COUNTY/ST RIO ARRIBA,NM
OPERATOR HIXON DEVELOPMENT CO.
FOOTNOTE #1 SECTION 5D, T24N, R2W
FOOTNOTE #2 PRODUCING ONLY MANCOS
MAJOR PHASE OIL
PROJECT START DATE 7/1990
ENDING MONTH 12
DISC RATE % 10.0
SELECTION CODE 111
ECONOMIC LIMIT YES
CASH FLOW FACTOR % 100.00
RESERVES FACTOR % 100.00

		DECLINE TYPE	N	INITIAL RATE	FINAL RATE	DECLINE PERCENT	TIME MONTHS	CUMULATIVE PROD X1000
OIL PROD START	7/90	EXP	0.000	100.000	1.000	63.0000	55.58	36.369
OIL PROD UNITS	B/DAY							
NUMBER OF WELLS	1							
GOR (SCF/BBL)	2000.0							

GAS PROD START 7/90
GAS PROD UNITS M/MTH
NUMBER OF WELLS 0
YIELD (B/MMCF) 0.0

--- LOCAL TAXES ---

OIL PROD. TAX % 7.37 ADVAL TAX % 2.30
STEP WELL NO
GAS PROD. TAX % 7.37 LEAP WELL NO

--- GROSS CAPITAL INVESTMENTS ---

MO/YR	TANG	INTAN	RISK %	MO/YR	TANG	INTAN	RISK %
7/90	0.0	50.0	100.00				

--- PRODUCT PRICES ---

OIL PRICE $/BBL	ESC %	ESC $	YRS	GAS PRICE-BTU RATING 1000 $/MCF	ESC %	ESC $	YRS
15.500			30	1.300			30
			30				30
			30				30
			30				30
			30				30

60.000 MAXIMUM PRICE 6.000 MAXIMUM PRICE

ESC 0.00% FOR 30 YRS

--- FEDERAL TAX INFORMATION ---

RATE TIME RATE
FED TAX RATE 34.00 30 34.00
TAX LOSS CRRY.FWRD. NO
DEPREC. METHOD DDBAL
DEPREC. LIFE YRS 7
STAT. DEPL. NO
B/O EQUIV. MCF/B 6.0

--- OPERATING EXPENSES ---

	RATE	ESC %	YEARS	ESC %	YEARS
$/W/M	1000	0.00	30	0.00	0

YR	WELLS	OIL MBBL	GAS MMCF	YR	WELLS	OIL MBBL	GAS MMCF
90	0.5	14.390	28.781				
91	1.0	14.078	28.156				
92	1.0	5.209	10.418				
93	1.0	1.927	3.855				
94	1.0	0.713	1.426				
95	0.2	0.051	0.103				

--- WINDFALL PROFIT TAXES ---

WINDFALL CATEGORY IND B.P.INFLATOR % 0.00
TIER 0 90% N.I. LIMIT NO
WPT BASE PRICE $/B 0.00

--- OWNERSHIP PERCENTAGES ---

W.I.	NRI OIL	NRI GAS	# OF YRS	CUM NOI M$	ROR%
100.0000	81.2500	81.2500	0.000	0.000	0.000
100.0000	0.0000	0.0000	0.000	0.000	0.000
100.0000	0.0000	0.0000	0.000	0.000	0.000
100.0000	0.0000	0.0000	0.000	0.000	0.000
100.0000	0.0000	0.0000	0.000	0.000	0.000

	OIL	GAS
PRIOR PRODUCTION	0.000	0.000
TOTAL	36.369	72.738