

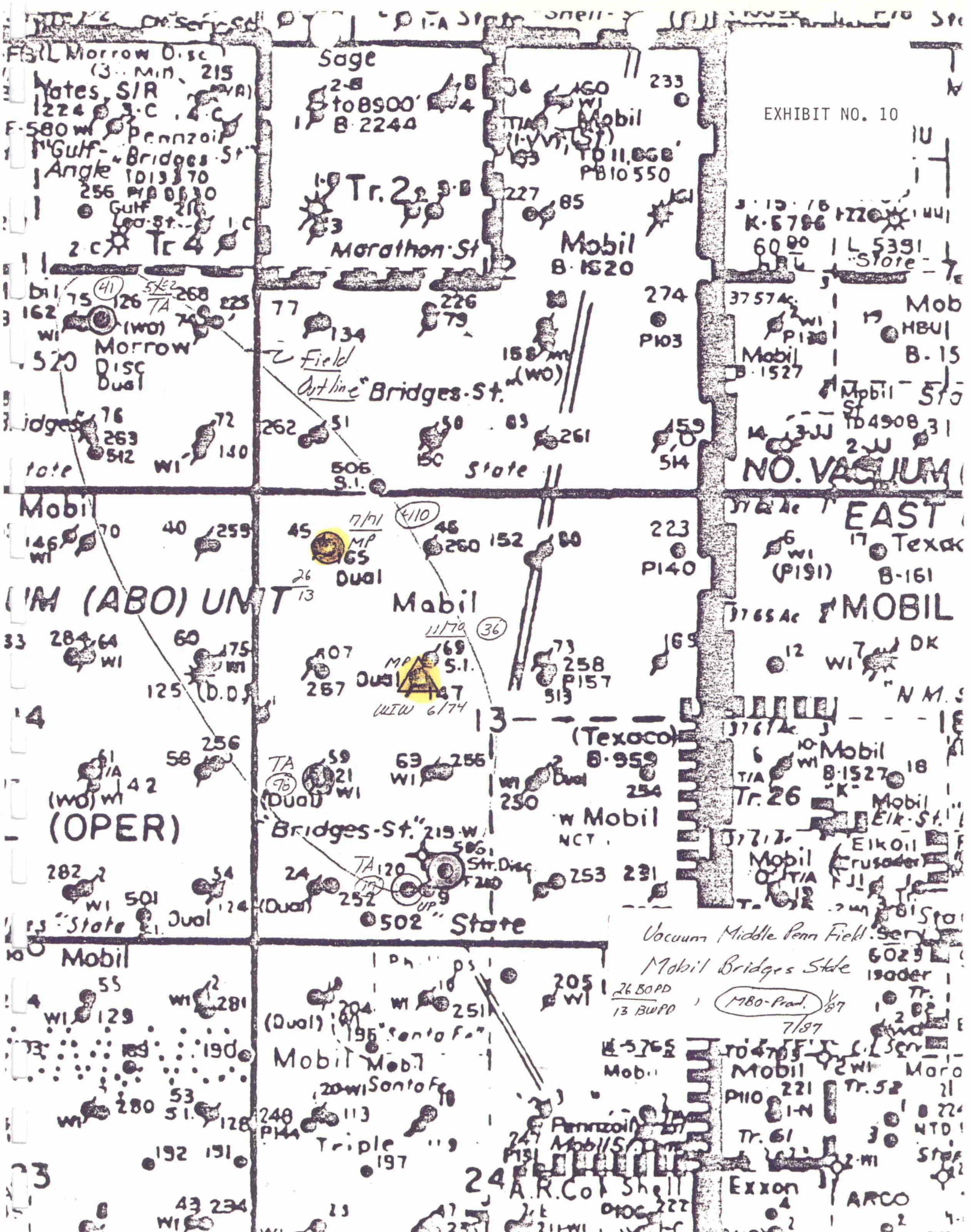


EXHIBIT NO. 10

NO. VACUUM

EAST

TEXAS

B-161

MOBIL

DK

N.M.S.

18

Mobil

B-1527

Mobil

Elk-St.

Elk-St.

Elk-St.

Elk-St.

Elk-St.

Elk-St.

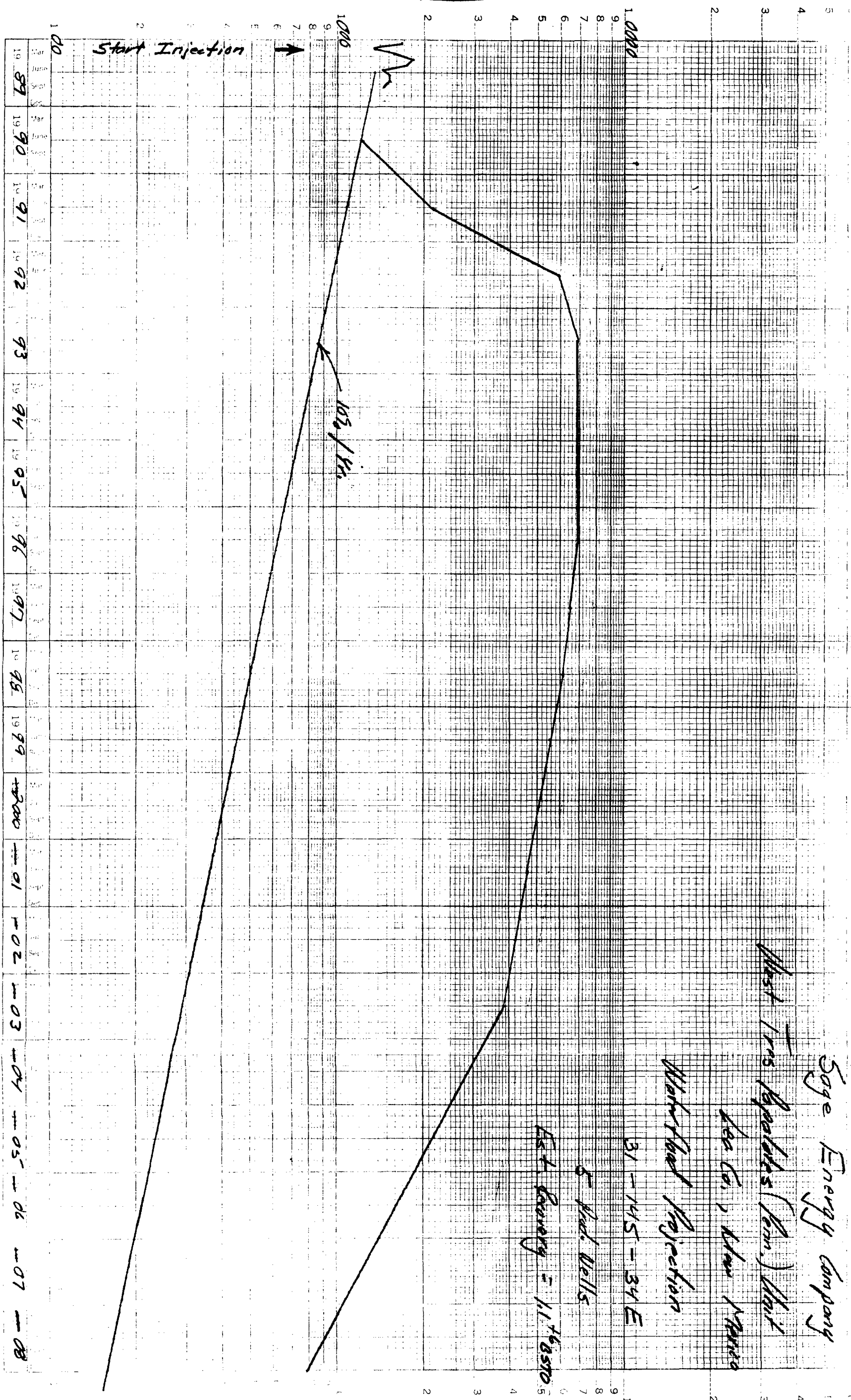
Elk-St.

Elk-St.

Elk-St.

Elk-St.

BOPM



PROJECTION OF ESTIMATED PRODUCTION AND REVENUE

AS OF
7-1-89

SAGE ENERGY COMPANY INTEREST

INITIAL WORKING INTEREST 1.000000
INITIAL REVENUE INTEREST 0.849575

LEASE NAME : TRES PAPALOTES WF
FIELD NAME : TRES PAPALOTES, W
CNTY, STATE: LEA, NM
OPERATOR : SAGE ENERGY CO

PPORABLE RESERVES

PERIOD ENDING	GROSS OIL/COND MR	NET OIL/COND MR	GROSS REVENUE		PROD+AV TAKES M\$	NET INVSAT M\$	OPERATING EXPENSE M\$	NET REVENUE M\$	CUM P.W. 10.000X M\$
			MMF	MMF					
7-1-90	2.000	0.000	0.000	0.000	0.0	0.0	1498.9	175.2	-1335.1
7-1-91	13.024	10.497	0.000	0.000	0.0	0.0	0.0	185.7	-1340.7
7-1-92	59.494	47.932	0.000	0.000	0.0	0.0	0.0	693.9	-993.9
7-1-93	72.000	58.032	0.000	0.000	0.0	0.0	0.0	208.6	-302.7
7-1-94	72.000	58.032	0.000	0.000	0.0	0.0	0.0	221.1	358.1
7-1-95	72.000	58.032	0.000	0.000	0.0	0.0	0.0	234.4	989.3
7-1-96	72.000	58.032	0.000	0.000	0.0	0.0	0.0	248.5	1597.6
7-1-97	71.219	57.403	0.000	0.000	0.0	0.0	0.0	263.4	2175.8
7-1-98	65.954	53.139	0.000	0.000	0.0	0.0	0.0	279.2	2682.5
7-1-99	60.396	48.679	0.000	0.000	0.0	0.0	0.0	295.9	3119.6
7-1-0	55.307	44.577	0.000	0.000	0.0	0.0	0.0	313.7	3495.
7-1-1	50.646	40.821	0.000	0.000	0.0	0.0	0.0	332.5	3818.
7-1-2	46.378	37.381	0.000	0.000	0.0	0.0	0.0	352.4	4093.
7-1-3	42.470	34.231	0.000	0.000	0.0	0.0	0.0	373.6	4327.
7-1-4	38.801	31.346	0.000	0.000	0.0	0.0	0.0	384.5	4520.
SUBTOTAL	791.779	638.174	0.000	0.000	0.0	0.0	1498.9	4065.5	4520.
REMAING	275.221	221.828	0.000	0.000	0.0	0.0	0.0	4600.8	620.1
TOTAL OF 27.0 YRS	1067.000	860.002	0.000	0.000	0.0	0.0	1498.9	8666.3	5141.5
CUM PROD	0.000		0.000						
ULTIMATE	1067.000		0.000						

BASED ON ESCALATED PRICES AND COSTS

INITIAL PRICES BEFORE PRODUCTION TAXES: 18.5000 \$/BBL - 0.0000 \$/MCF
MAXIMUM COMPLETIONS: 5 OIL - 0 GAS INITIAL OPRG COST 15000 \$/MO

PRESENT WORTH PROFILE

FOR 8.00 PCT, PRESENT WORTH IS M\$ 6237.3
FOR 12.00 PCT, PRESENT WORTH IS M\$ 4261.0
FOR 15.00 PCT, PRESENT WORTH IS M\$ 3237.7
FOR 20.00 PCT, PRESENT WORTH IS M\$ 2065.2
FOR 25.00 PCT, PRESENT WORTH IS M\$ 1303.9

LOCATION: 31-14S-34E

PENNM M
INCREMENTAL WF RESERVES BASED ON VACUUM MIDDLE PENN WF (MOBIL)
INTERESTS & RESERVES FOR SAGE WELLS ONLY (25% OF TOTAL TP & PROD)

NETHERLAND, SEWELL & ASSOCIATES, INC. - DALLAS

TABLES

1 and 2

Table NO.1
Part I
Tract Unit Participation - Tract Basis

Tract	Lease/Wells	Owner	Type	Gross WI	Net NRI	Tract Participation (100% Ultimate)	Unit Participation Expense	Unit Participation Revenue
1	New Mexico State 30 #1	Sage State of New Mexico Sage	WI RI ORR	1.0000000 - -	.8025000 .1875000 .0100000	.1527267 .1527267 .1527267	.1527267 -0- -0-	.1225631 .0286363 .0015273
	TOTAL			1.0000000	1.0000000	.1527267	.1527267	.1527267
2	New Mexico State 1, 2, 3	Sage State of New Mexico Sage	WI RI ORR	1.0000000 - -	.7500000 .1250000 .1250000	.5640217 .5640217 .5640217	.5640217 -0- -0-	.4230163 .0705027 .0705027
	TOTAL			1.0000000	1.0000000	.5640217	.5640217	.5640217
3	State of New Mexico, V-2160	Sage State of New Mexico Sage	WI RI ORR	1.0000000 - -	.8233333 .1666667 .0100000	-0- -0- -0-	-0- -0- -0-	-0- -0- -0-
	TOTAL			1.0000000	1.0000000			
4	State of New Mexico, V-1791	Sage State of New Mexico Sage	WI RI ORR	1.0000000 - -	.8233333 .1666667 .0100000	.0561122 .0561122 .0561122	.0561122 -0- -0-	.0461991 .0093520 .0005611
	TOTAL			1.0000000	1.0000000	.0561122	.0561122	.0561122

EXHIBIT "C"
Part I
Tract Unit Participation - Tract Basis

Tract	Lease/Wells	Owner	Type	Gross WI	Net NRI	Tract Participation (100% Ultimate)	Unit Participation Expense	Unit Participation Revenue
5	John Etcheverry #1	Sage John Etcheverry Adella P. Tindale Josephine Salvage FDIC-A/C P. Metts J.M. Huber Corp. Sage Sage	WI RI RI RI ORR ORR ORR ORR	1.00000000 - - - - - - -	.7718750 .1015626 .0429687 .0429687 .0075000 .0156250 .0100000 .0075000	.1798006 .1798006 .1798006 .1798006 .1798006 .1798006 .1798006 .1798006	.1798006 -0- -0- -0- -0- -0- -0- -0-	.1387836 .0182610 .0077258 .0077258 .0013485 .0028094 .0017980 .0013485
TOTAL				1.00000000	1.00000000	.1798006	.1798006	.1798006
6	John Etcheverry "A" #2	Sage John Etcheverry Adella Tindale	WI RI RI	1.00000000 - -	.8125000 .1015626 .0429687	.0473388 .0473388 .0473388	.0473388 -0- -0-	.0384628 .0048078 .0020341
TOTAL				1.00000000	1.00000000	1.00000000	1.00000000	1.00000000

Table No. 2
Part II
Tract & Unit Participation - Owner Basis

Tract	Owner	Type	Gross WI	Net NRI	Tract Participation (100% Ultimate)	Unit Participation Expense	Unit Participation Revenue
1)	Sage	WI	1.0000000	.8025000	.1527267	.1527267	.1225631
2)	Sage	WI	1.0000000	.7500000	.5640217	.5640217	.4230163
3)	Sage	WI	1.0000000	.8233333	-0-	-0-	-0-
4)	Sage	WI	1.0000000	.8233333	.0561122	.0561122	.0461991
5)	Sage	WI	1.0000000	.7718750	.1798006	.1798006	.1387836
6)	Sage	WI	1.0000000	.8125000	.0473388	.0473388	.0384628
5)	Sage	ORR	-0-	.0075000	.1798006	-0-	.0013485
1)	Sage	ORR	-0-	.0100000	.1527267	-0-	.0015273
3)	Sage	ORR	-0-	.0100000	-0-	-0-	-0-
4)	Sage	ORR	-0-	.0100000	.0561122	-0-	.0005611
5)	Sage	ORR	-0-	.0100000	.1798006	-0-	.0017980
2)	Sage	ORR	-0-	.1250000	.5640217	-0-	.0705027
	Total						.8447625
5)	John Etcheverry	RI	-0-	.1015626	.1798006	-0-	.0182610
6)	John Etcheverry	RI	-0-	.1015626	.0473388	-0-	.0048078
	Total						.0230688

EXHIBIT "C"

Part II

Tract & Unit Participation - Owner Basis

Tract	Owner	Type	Gross WI	Net NRI	Tract Participation (100% Ultimate)	Unit Participation Expense	Unit Participation Revenue
5)	J.M. Huber Corp.	ORR	-0-	.0156250	.1798006	-0-	.0028094
5)	FDIC- R. Metts	ORR	-0-		.0075000	-0-	.0013485
1)	State of New Mexico	RI	-0-	.1875000	.1527267	-0-	.0286363
2)	State of New Mexico	RI	-0-	.1250000	.5640217	-0-	.0705027
3)	State of New Mexico	RI	-0-	.1666667	-0-	-0-	-0-
4)	State of New Mexico	RI	-0-	.1666667	.0561122	-0-	.0093520
	Total						.1084910
5)	Josephine Selvage	RI	-0-	.0429687	.1798006	-0-	.0077258
6)	Josephine Selvage	RI	-0-	.0429687	.0473388	-0-	.0020341
	Total						.0097599
5)	Adella P. Tindale	RI	-0-	.0429687	.1798006	-0-	.0077258
6)	Adella P. Tindale	RI	-0-	.0429687	.0473388	-0-	.0020341
	Total						.0097599
	Grand Total						1.0000000