

EXHIBIT 7

CAN1ECON.XLS

CARNAHAN COM #1 PICTURED CLIFFS - FRUITLAND COAL COMMINGLE ECONOMIC SUMMARY

	INVTMT	OP	RESRVES		UNDISC	20%
	M\$	COST	MMCF	ROR %	PROFIT	DISC
	M\$	S/MO			M\$	M\$
PICTURED CLIFFS ECONOMICS						
COMMINGLE	\$69	\$500	295	52%	\$235	\$66
SINGLE RECOMPLETION	\$89	\$1,000	260	27%	\$116	\$17
NEW DRILL	\$150	\$1,000	260	8%	\$56	(\$43)
FRUITLAND COAL ECONOMICS						
COMMINGLE	\$88	\$1,250	400	26%	\$156	\$16
SINGLE RECOMPLETION	\$106	\$1,750	330	8%	\$40	(\$32)
NEW DRILL	\$166	\$1,750	330	0%	(\$20)	(\$93)

Case #10970
NMOCD Examiner Hearing
May 12, 1994
Merrion Oil & Gas