

The Weld County Drilling Revenue Projection					
*Pro-Forma Production Revenue		50 bbl per well			75 bbl per well
Number of Wells in Fund	2	2	2	2	2
Assumed Production Per Well (bbl/day)	50	50	50	75	75
Assumed Total Production (bbl/day)	100	100	100	150	150
\$/bbl	\$65.00	\$75.00	\$85.00	\$65.00	\$75.00
Gross (Net Revenue Interest) Per Day	\$6,500.00	\$7,500.00	\$8,500.00	\$9,750.00	\$11,250.00
66% NRI (100% WI) Per Day	\$4,290.00	\$4,950.00	\$5,610.00	\$6,435.00	\$7,425.00
Days Per Month	26	26	26	26	26
Monthly Working Interest	\$111,540.00	\$128,700.00	\$145,860.00	\$167,310.00	\$193,050.00
Less Monthly State Tax and Op. Exp. (approx. 10% of WI)	\$11,154.00	\$12,870.00	\$14,586.00	\$16,731.00	\$19,305.00
Net Monthly Revenue	\$100,386.00	\$115,830.00	\$131,274.00	\$150,579.00	\$173,745.00
Net Yearly Revenue	\$1,204,632.00	\$1,389,960.00	\$1,575,288.00	\$1,806,948.00	\$2,084,940.00
Net Yearly Disbursement to Partners (90% WI)	\$1,084,168.80	\$1,250,964.00	\$1,417,759.20	\$1,626,253.20	\$1,876,446.00
Per Unit Participation	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
Number of Units in Fund	25	25	25	25	25
Total Fund Raise	\$2,500,000.00	\$2,500,000.00	\$2,500,000.00	\$2,500,000.00	\$2,500,000.00
Net Per Unit Yearly Disbursement	\$43,366.75	\$50,038.56	\$56,710.37	\$65,050.13	\$75,057.84
Net Per Unit Monthly Disbursement	\$3,613.90	\$4,169.88	\$4,725.86	\$5,420.84	\$6,254.82
Annual Rate of Return on Investment	43.37%	50.04%	56.71%	65.05%	75.06%
**Tax Considerations:					
Initial investment (1 unit)	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
Amount to write off (assuming 70% eligible)	\$70,000.00	\$70,000.00	\$70,000.00	\$70,000.00	\$70,000.00
Tax Bracket	35.00%	35.00%	35.00%	35.00%	35.00%
Dollar amount deduction	\$24,500.00	\$24,500.00	\$24,500.00	\$24,500.00	\$24,500.00
Actual dollar amount of investment	\$75,500.00	\$75,500.00	\$75,500.00	\$75,500.00	\$75,500.00
Percent annual ROI based on tax-adjustment investment amt.	57.44%	66.28%	75.11%	86.16%	99.41%
** Tax benefits applicable to U.S. tax paying partners only and may not apply to International partners.					
* The Pro-Forma calculator is a tool designed solely to assist in valuing the possibilities of this program, and is in no way a guarantee of production. Furthermore, no tax advice is being given, and applicable tax regulations vary from individual to individual. Individuals should seek independent tax advice regarding the tax benefits of this program.					

