

**Department of Local Affairs
Division of Property Taxation**

A Report to the General Assembly

**THE ESTIMATED RESIDENTIAL ASSESSMENT RATE FOR
2003 – 2004**

Pursuant to 39-1-104.2(6) C.R.S.

January 10, 2003

SUMMARY

Currently, the residential assessment rate is estimated to be 8.18 percent.

In a reappraisal year, Article X, section 3(1)(b) of the Colorado Constitution and 39-1-104.2(5)(a), C.R.S., requires an adjustment in the residential assessment rate in order to maintain a balance between residential and all other property. The General Assembly must adjust the residential assessment rate to ensure that the percentage of residential real property assessed value, when compared to the assessed value of all property, remains essentially the same as the preceding year. The adjustment is intended to stabilize residential real property's share of the property tax base. Section 39-1-104.2(5)(c), C.R.S., requires the Property Tax Administrator to complete a documented study that estimates the residential assessment rate for 2003-2004. Three major calculations are required:

1. Using the total actual 2001 assessed value for nonresidential property, calculate what the total 2001 residential real property value should have been to exactly achieve the 2001 residential real property target percentage of 46.61 percent. Then, adjust the 46.61 percent target percentage to account for 2001 and 2002 net changes in new construction and the production volumes of producing metallic mines, producing coal mines, oil and gas wells, and earth and stone operations. The 2003 residential real property target percentage is 47.08 percent.
2. Estimate 2003 values and determine residential real property's share of the tax base assuming the residential assessment rate remains at 9.15 percent. The estimated 2003 tax base share for residential real property at an assessment rate of 9.15 percent is 49.87 percent.
3. Calculate the estimated residential assessment rate necessary to ensure that residential real property's share of the 2003 tax base is 47.08 percent of the total assessed value of all taxable property.

In prior years, the State Board of Equalization (state board) had the authority to adjust the residential rate during its fall hearings if the valuations actually implemented by the counties showed that the estimated residential rate was incorrect. The statute giving the state board that authority, 39-1-104.2(7), C.R.S., was repealed in 1993. Therefore, all counties will be contacted during the month of April to determine if the counties' projections of 2003 valuations prepared during 2002 are similar to the actual assigned values. Should the revisions result in a substantial change in the estimated residential assessment rate for 2003-2004, the General Assembly will be informed prior to the end of April so the proposed legislation can be changed.

The following table lists the estimated changes in assessed value by class of property between 2002 and 2003 with a 2003 residential assessment rate of 9.15 percent.

COMPARISON OF 2002 AND ESTIMATED 2003 ASSESSED VALUES BY CLASS

<u>Class of Property</u>	<u>2002 Assessed</u>	<u>Estimated 2003</u>	<u>% Change</u>	<u>% of Total</u>
VACANT LAND	3,795,213,699	4,337,033,665	14.3%	6.6%
RESIDENTIAL*	28,882,769,811	32,908,205,567	13.9%	49.9%
COMMERCIAL**	17,258,093,745	18,679,789,258	8.2%	28.3%
INDUSTRIAL	2,749,697,004	2,956,489,579	7.5%	4.5%
AGRICULTURAL*	812,816,848	808,314,264	-0.6%	1.2%
NAT RESOURCES	271,839,095	274,620,248	1.0%	0.4%
PRODUCING MINES	64,751,779	72,385,913	11.8%	0.1%
OIL & GAS	2,798,698,397	1,847,140,942	-34.0%	2.8%
STATE ASSESSED	<u>3,885,068,569</u>	<u>4,105,740,464</u>	5.7%	<u>6.2%</u>
TOTAL	60,518,948,947	65,989,719,899	9.0%	100.0%

*Residential property includes agricultural residences and all manufactured homes.

**Commercial property includes residential personal property.

Note: The comparison between 2002 and 2003 is based upon the current residential assessment rate of 9.15%. If the 2003 estimated residential rate of 8.18% is used, the "% of Total" associated with residential would equal the target percent of 47.08%.

HISTORY OF THE RESIDENTIAL ASSESSMENT RATE

In 1982 the electorate passed Constitutional Amendment Number One, the residential assessment rate portion of which is referred to as the "Gallagher Amendment." The Amendment to Article X, Section 3 of the Colorado Constitution caused substantial changes in Colorado property tax laws.

The intent of Gallagher was to stabilize residential real property's share of the property tax base. Residential real property's share of total assessed value had increased from 29 percent in 1958 to 44 percent in 1982. By allowing the residential assessment rate to "float," residential real property would not continue to bear an ever-increasing share of the property tax burden. The floating rate would increase if residential real property's

share of total taxable assessed value appreciably declined below 44.60 percent. Similarly, the rate would decrease if residential real property's share of total taxable assessed value appreciably exceeded 44.60 percent.

The 44.60 percent, which is now referred to as the "residential target percentage," was calculated based upon residential real property's share of total assessed value for 1986. The General Assembly provided for changes in the target percentage based upon growth or decline in various classes of property. The target percentage is adjusted during the year preceding each change in the level of value, i.e. during even-numbered years.

The adjustment begins by first calculating what the total assessed value of residential real property would have been, at the prior level of value, had the residential assessment rate been estimated such that the exact share of the tax base indicated by the prior residential target percentage was achieved.

Then, the assessed value attributable to residential new construction, reported during the two years prior to the year of change in level of value is added to the calculated residential real property total.

Similarly, the assessed value of new construction in all property classes, reported during the same two years, is added to the total of all other property assessed value as of the last level of value. Then, the net changes in the production volumes of producing metallic mines, producing coal mines, oil and gas wells, and earth and stone operations are expressed as assessed values and added to the all other property total. Finally, the adjusted residential real property total is divided by the total of the above-assessed values to arrive at a new residential target percentage.

PRIOR TO AND INCLUDING 1982

Prior to and including 1982 (the 1973 level of value), most property was assessed at 30 percent of actual value. The amendment initially set the residential assessment rate for 1983-1986 (the 1977 level of value) at 29 percent for most property and 21 percent for residential real property.

1987 AND 1988

In 1986 the state board requested that the Division of Property Taxation (Division) estimate the residential assessment rate for 1987 (the 1984 level of value). In 1988, the General Assembly enacted 39-1-104.2(6), C.R.S., which required that the Division prepare a documented residential assessment rate study for changes in the level of value in 1989 (the 1988 level of value), 1991 (the 1990 level of value), and 1993 (the 1992 level of value). This subsection was later amended to include 1995 (the 1994

level of value), 1997 (the 1996 level of value), and for each subsequent year of reappraisal.

Using the methodologies described in the next section of this report, the residential assessment rate has been estimated seven times. In 1986, using a residential target percentage of 44.39 percent, the Division estimated the rate for 1987-1992 to be 16.74 percent (17 percent rounded). The General Assembly chose to enact a residential assessment rate of 18 percent for 1987. In 1988, the General Assembly reconsidered this decision and enacted a residential assessment rate of 16 percent for 1988. A review of historical records, including actual rather than estimated assessed values and adjustments of County Boards of Equalization indicated the correct rate to be 15.30 percent (15 percent rounded) for 1987 and 1988.

1989 AND 1990

In 1988, using a residential target percentage of 44.51 percent, the Division estimated the rate for 1989-1990 to be 15.04 percent (15 percent rounded). The 44.51 percent residential target percentage and the 15 percent residential assessment rate were enacted into law in 1989, 39-1-104.2(3)(b), C.R.S. Verification of the estimate using final 1989 assessed values submitted by the county assessors initially indicated a residential assessment rate of 14.42 percent (14 percent rounded). Pursuant to the requirements of 39-1-104.2(7), C.R.S., the state board changed the rate to 14 percent. However, after the counties' resubmission of assessed values to the Division using the 14 percent residential assessment rate, the Division discovered that Denver County had made a \$150 million keypunch error on its original submission. Correcting for the error resulted in a verified rate of 14.53 percent (15 percent rounded), and also resulted in the assessors having to submit values a third time.

1991 AND 1992

In 1990, using a residential target percentage of 44.57 percent, the Division estimated a residential assessment rate for 1991 – 1992 of 14.34 percent (14 percent rounded). However, during the 1991 Legislative Session, the rounding convention was changed to the nearest one-hundredth of one percent. The target percentage of 44.57 percent and the estimated residential assessment rate of 14.34 percent (rounded) were enacted into law in 1991, 39-1-104.2(3)(c), C.R.S. Verification of this estimate using final 1991 assessed values submitted by the assessors indicated a residential assessment rate of 13.78 percent. This rate was outside the one-half percent tolerance permitted by 39-1-104.2(7)(b), C.R.S., by six one-hundredths of one percent.

Pitkin, Denver, and Arapahoe Counties

Comparison of the estimated 1991 assessed values with the final 1991 assessed values submitted by the county assessors indicated the error in the rate was largely attributable to three counties: Arapahoe, Denver and Pitkin.

Pitkin County over-estimated the increase in assessed values in the commercial property class.

Denver County over-estimated commercial values because all hotel property surrounding Stapleton Airport was adjusted to conform to a Board of Assessment Appeals' (BAA). The BAA ordered that the capitalization rate be increased and that the future net income estimates be decreased for a petitioner's hotel property near Stapleton Airport. These adjustments were required, in the opinion of the BAA, to account for the greater risk and probable reduction in income associated with the closure of Stapleton after Denver International Airport opened. Rather than lose similar cases one at a time, Denver County decided to lower the valuations of all similar properties.

Concerning Arapahoe County, the Division discovered an unexplained 38 percent decline in vacant land values between 1990 and 1991. Upon further research, procedural irregularities in the application of present worth valuation to vacant land parcels were discovered. The Assessment Auditor's contract required that vacant land values be statistically analyzed only to the adjusted selling price of vacant land property rather than to the final vacant land present worth values. However, upon review of the present worth procedures applied by Arapahoe County, the Assessment Auditor recommended reappraisal of Arapahoe County's vacant land class. Had Arapahoe County not changed the vacant land valuation procedures after estimating the increase in vacant land values for the assessment rate study, the residential assessment rate estimated for 1991-1992 would have been within its statutory tolerance.

State Board of Equalization Statutory Authority

The state board had no statutory authority to consider information other than the final 1991 assessed values submitted by the county assessors, and the state board was faced with a September 20, 1991, deadline for adjusting the residential assessment rate estimated for 1991-1992.

Fortunately, the General Assembly had reconvened for a 1991 Special Session to revise school finance statutes. A reduction in the residential assessment rate from 14.34 percent to 13.78 percent could have increased the "backfill requirements" for State of Colorado financial aid to school districts. The legislature enacted amendments to 39-1-104.2(7), C.R.S., that allowed the state board to consider, "any other reliable and relevant information which is based upon generally accepted appraisal methods

and which is consistent with section 3 of Article X of the State Constitution, including, but not limited to, any valuation for assessment study for such year which is conducted pursuant to section 39-1-104(16). Using this new authority, the state board allowed the 14.34 percent residential assessment rate estimated for 1991-1992 to stand.

In 1992, a review of the 1991 state board ordered reappraisals indicated that the net effect of reappraisal of vacant land, commercial, and residential properties in all counties under reappraisal orders was a reduction in the verified residential assessment rate to 13.76 percent.

1993 AND 1994

In 1992, the State Auditor reviewed the Division's procedures for estimating the residential assessment rate. No material audit exceptions were noted. Also in 1992, using new assessed value estimation procedures and a residential target percentage of 44.74 percent, the Division estimated a residential assessment rate for 1993-1994 of 12.86 percent (rounded).

In November 1992, the electorate passed Constitutional Amendment Number One creating Article X, section 20 of the Colorado Constitution. The amendment is sometimes referred to as the TABOR Amendment (Taxpayers' Bill of Rights) or the Bruce Amendment (after the author Douglas Bruce). The amendment constrained the financial authority of state and local governments. Among its provisions were the requirements for elections to authorize increases in property tax mill levies, the residential assessment rate, and the overall entity revenue generation and spending.

Mill levy increases are allowed only if approved by the voters. Mill levies are calculated by dividing the taxing entity's proposed (budgeted) property tax revenue by the total assessed value within the taxing jurisdiction. Taxing entities must know the final assessed values in order to prepare for an election. This effectively prohibited the state board from adjusting the residential assessment rate by September 20, less than three weeks before elections were to be held. Therefore, in 1993 the General Assembly repealed 39-1-104.2(7), C.R.S., which contained the state board's authority to adjust the residential assessment rate if it were found to be in error by one-half of one percent or more.

Also in 1993, the target percentage of 44.74 percent and the estimated residential assessment rate of 12.86 percent (rounded) were enacted into law, 39-1-104.2(3)(d), C.R.S. Verification of the estimate using final 1993 assessed values submitted by the assessors indicated a residential assessment rate of 12.16 percent. The rate was outside the one-half of one-percent tolerance, which had been permitted by 39-1-104.2(7)(b), C.R.S., by two tenths of one percent. The miss was attributable to an under-estimate of residential values statewide.

The under-estimate was due to lack of recognition on the part of the assessors of the surge in residential values just prior to the June 30, 1992, appraisal date. Generally, the assessors did not accomplish the trending of sales data to the new level of value trending point in time to be included in the residential assessment rate study conducted in 1992. Repeal of the state board's authority to adjust the rate required that the 12.86 percent residential assessment rate stand for 1993-94.

1995 AND 1996

In December 1994, the Division estimated a residential assessment rate for 1995-1996 of 10.50 percent using new assessed value estimation procedures and a residential target percentage of 45.29 percent. In April 1995, the Division contacted the 16 largest counties, in terms of overall total assessed value, and asked these counties for their updated reappraisal values. These values were compared with the counties initial projections. Due to changes in many of their original estimates, the rate was recalculated and this recalculation produced a residential rate of 10.36 percent. HB 95-1136 was amended to reflect the 10.36 percent prior to its passage. After the Abstracts of Assessment were delivered to the Division, the residential rate was again recalculated. The assessor and county board changes reflected in the abstracts revealed that the rate should have been 10.02 percent.

1997 AND 1998

The residential assessment rate was estimated to be 9.71 percent in December 1996. The residential target percentage was established at 46.17 percent. In April 1997, the Division contacted all counties and verified their initial projections or made appropriate changes, as necessary. Due to changes in some of the original estimates, the rate was recalculated. The recalculation produced a residential rate of 9.74 percent. SB 97-026 was amended to reflect the 9.74 percent assessment rate.

After the 1997 Abstracts of Assessment were delivered to the Division, the residential rate was again recalculated. The assessor and county board changes reflected in the abstracts revealed that the rate should have been 10.08 percent. In 1998, errors in excess of \$280 million (net) were discovered in Eagle County's 1997 Abstract, which changed the true rate from 10.08 to 9.96 percent.

Because the 1997-1998 residential assessment rate was under-estimated, it is essential to understand what has occurred with the residential rate in the past so that its future can be more accurately predicted. All previous rates had two common elements; more residential properties were being built than nonresidential properties, and existing residential properties were increasing in value at a faster rate than non-residential properties. However, as of 1996, nonresidential properties not only closed this gap but also had significantly outpaced residential assessments. With few exceptions, county

projections for nonresidential properties were under-estimated; and, in many instances, significantly under estimated as late as April 15, 1997. However, since most counties are now capable of doing multiple regression analysis and accurate time trending, it is expected that future estimates will be more precise.

1999 AND 2000

Established procedures, as previously cited, were used to estimate the residential assessment rate for 1999-2000, with two exceptions: 1) oil and gas estimates were based upon actual sales data reported to the Colorado Oil and Gas Conservation Commission, and 2) all counties were contacted in April, 1999, to update possible changes from their original estimates. After appropriate changes were made, the residential assessment rate was determined to be 9.83 percent. The actual rate, based upon the 1999 Abstracts of Assessment, was 9.81 percent.

These changes in methodology, in addition to more counties time-trending sales data, produced the most accurate rate ever determined. However, because of TABOR, the rate had to remain at 9.74 percent, since TABOR doesn't allow an upward change in the residential assessment rate.

2001 AND 2002

The procedures followed in 1999-2000 were used to estimate the residential assessment rate for 2001-2002 because of the accuracy of the final results. The residential rate was estimated to be 9.15 percent for 2001-2002. The 2001 Abstracts of Assessment revealed the residential assessment rate should have been 9.09%.

Recap of Residential Assessment Rates

1983-1986	21.00%
1987	18.00%
1988	16.00%
1989-90	15.00%
1991-92	14.34%
1993-94	12.86%
1995-96	10.36%
1997-98	9.74%
1999-2000	9.74%
2001-02	9.15%

RESIDENTIAL ASSESSMENT RATE ESTIMATION METHODOLOGY

In September, data reported in each county's Abstract of Assessment is reviewed, corrected where necessary, and entered into the Residential Assessment Rate Model. Also, all county assessors are asked to provide the Division with an electronic version of their qualified residential, commercial, and industrial sales that occurred over the appropriate 18-month data-gathering period. (Some rural counties expand the data collection period due to a lack of sales.) The data requested includes property sale price, current assessor actual value, date of sale, and the economic area associated with each property. Division staff then time-trends the sales data using a weighted monthly median sales ratio regression analysis to develop factors for each county submitting data.

This projection, along with a linear projection based upon the changes from the prior reappraisal, is given to the assessor. The assessor reviews the projections and makes a final estimate of percent changes in assessed values considering the analysis. If assessor's estimates are different than these results, assessors are asked for the basis of their estimate. The Division will default to the assessor's estimate unless there is no credible evidence to support their projection. The assessors are also asked to provide a projection on anticipated changes to the vacant land, agriculture, natural resources, and producing mines classes of property. The percent changes are programmatically converted into factors and used in the Division's Residential Rate Calculation Model.

Estimated changes for the oil and gas property class is based upon data provided by the Colorado Oil and Gas Conservation Commission. Although production figures are not current through November, selling prices are very accurate. For the months in which it is necessary to speculate on production amounts, the estimate is based upon current and anticipated economic conditions made by the Commission. By April, the Commission has reliable production figures for the first six months of the previous year, and reasonable estimates for the remaining six months. The oil and gas factor used in December will be amended, if necessary, based on its April data.

State Assessed changes are projected by Division staff and are based upon financial indicators of public utilities.

All counties are contacted in April to update initial projections. However, this time assessors will be asked to furnish the Division with an abbreviated abstract that provides projected assessed values by class of property and new construction values. After subtracting new construction from the assessed values, factors are developed by comparison with 2002 assessed values and then entered into the Residential Assessment Rate Calculation Model to ascertain if they produce a residential assessment rate other than 8.18 percent. If the April residential assessment rate is different than the rate estimated in December 2002, the General Assembly adopts the new rate.

2003 RESIDENTIAL TARGET PERCENTAGE CALCULATION

14-Jan-03

ESTIMATED 2001 RESIDENTIAL	X		46.61%	
ACTUAL 2001 NONRESIDENTIAL	31,001,769,157	=	53.39%	
ESTIMATED 2001 RESIDENTIAL	X = 27,061,801,389		100.00%	
ESTIMATED 2001 RESIDENTIAL	27,061,801,389		46.61%	
ACTUAL 2001 NONRESIDENTIAL	31,001,769,157	=	53.39%	
			100.00%	TOTAL
2001 NET RES NEW CONST	1,027,234,776			
2002 NET RES NEW CONST	1,050,850,312			
ESTIMATED 2001 RESIDENTIAL	27,061,801,389			
ADJ 2001 RES ASSESSED	29,139,886,477		47.08%	SUM OF RES ASSESSED
ADJ 2001 OTHER ASSESSED	32,760,165,804	=	52.92%	SUM OF OTHER ASSESSED
ACTUAL 2001 NONRESIDENTIAL	31,001,769,157		100.00%	TOTAL
2001 NET OTHER NEW CONST	758,823,935			
2002 NET OTHER NEW CONST	687,890,930			
2002 - 2000 NET MINES	31,434,332			
2002 - 2000 NET COAL	1,202,482			
2002 - 2000 NET OIL & GAS	274,148,254			
2002 - 2000 NET EARTH & STONE	4,896,714			

14-Jan-03

2003 PROJECTED RESIDENTIAL ASSESSMENT RATE CALCULATION - INCLUDING CBOE CHANGES AND INCLUDING NEW CONSTRUCTION

2003 RES ASSESSED		32,908,205,567		49.87%	
2003 OTHER ASSESSED		<u>33,081,514,332</u>		50.13%	
	32,908,205,567	- X	=	(65,989,719,899 - X) *
	32,908,205,567	- X	=		31,065,126,371 - .4708X
	1,843,079,195		=		.5292X
		X	=		3,482,482,330
	<u>32,908,205,567</u>		=	32,908,205,567	-
	0.0915		=		<u>3,482,482,330</u>
					Y
	359,652,519,855		=	<u>29,425,723,237</u>	
				Y	
PROJECTED 2003 RATE		Y	=	0.08182	8.18%
PROJECTED RATE CROSS CHECK	<u>(.4708 * OTHER) / .5292</u>		=	0.08182	8.18%
	RES / 0.0915				

	2000 \$/TON	2002 TONS	ADJ 2000	MOLY(6110) 2000	COUNTY FACTOR	MOLY(6110) 2002	2002 \$/TON
CLEAR CREEK	\$5.86	11,213,594	65,711,369	26,490,780	2.480537	14,754,120	\$1.32
GRAND - COMBINED WITH CLEAR CREEK LAKE	\$0.00		0	8,315,230	0		\$0.00
		----- 11,213,594			0	----- 14,754,120	
	2000 \$/TON	2002 TONS	ADJ 2000	PREC(6120) 2000	COUNTY FACTOR	PREC(6120) 2002	2002 \$/TON
BOULDER	\$0.00		0	2,900	0	2,960	\$0.00
CLEAR CREEK	\$0.00		0		0		\$0.00
COSTILLA	\$0.00		0		0		\$0.00
GILPIN	\$0.00		0		0		\$0.00
HINSDALE LAKE	\$565.85	17	0	242,750	0	3,000	\$176.47
LA PLATA	\$0.00		0		0		\$0.00
MONTEZUMA	\$0.00		0		0		\$0.00
OURAY	\$0.00		0		0		\$0.00
PARK	\$0.00		0		0		\$0.00
PITKIN	\$0.00		0	2,620	0		\$0.00
RIO GRANDE	\$0.00		0		0		\$0.00
SAN JUAN	\$0.00		0		0		\$0.00
SAN MIGUEL	\$0.00		0		0		\$0.00
TELLER	\$0.87	12,598,911	11,018,733	10,241,490	1.075892	8,259,240	\$0.66
		----- 12,598,928				----- 8,265,200	
	2000 \$/TON	2002 TONS	ADJ 2000	BASE (6130) 2000	COUNTY FACTOR	BASE 2002	2002 \$/TON
COSTILLA	\$0.00		0		0		\$0.00
FREMONT	\$0.00		0		0		\$0.00
LAKE	\$0.00		0		0		\$0.00
SAN JUAN	\$0.00		0		0		\$0.00
		----- 0				----- 0	
	2000 \$/TON	2002 TONS	ADJ 2000	STRA(6140) 2000	COUNTY FACTOR	STRA 2002	2002 \$/TON
JEFFERSON	\$0.00		0	0	0		\$0.00
MESA	\$0.00		0	0	0		\$0.00
MONTROSE	\$0.00		0	0	0		\$0.00
SAN MIGUEL	\$0.00		0	0	0		\$0.00
		----- 0				----- 0	
	2000 \$/TON	2002 TONS	ADJ 2000	RETO(6150) 2000	COUNTY FACTOR	RETO 2002	2002 \$/TON
GARFIELD	\$0.00		0	0	0		\$0.00
		----- 0				----- 0	
WEIGHTED NET DIFFERENCE		23,812,522	76,738,102	45,303,770		23,019,320	
BALANCING DIFFERENCE		24,545,082 (732,560)	1.6939 31,434,332	69.39%		48,644,390 (25,625,070)	

RARS COAL MINES ANALYSIS WORKSHEET - 2002

13-Jan-03

	COAL 2000 \$/TON	2002 TONS	ADJ 2000 ASSESSED VALUE	ACT 2000 ASSESSED VALUE	COUNTY FACTOR	ACT 2002 ASSESSED VALUE	COAL 2002 \$/TON
ADAMS	\$0.00		0				
ALAMOSA	\$0.00		0		0		\$0.00
ARAPAHOE	\$0.00		0		0		\$0.00
ARCHULETA	\$0.00		0		0		\$0.00
BACA	\$0.00		0		0		\$0.00
BENT	\$0.00		0		0		\$0.00
BOULDER	\$0.00	0	0		0		\$0.00
CHAFFEE	\$0.00		0		0	30	\$0.00
CHEYENNE	\$0.00		0		0		\$0.00
CLEAR CREEK	\$0.00		0		0		\$0.00
CONEJOS	\$0.00		0		0		\$0.00
COSTILLA	\$0.00		0		0		\$0.00
CROWLEY	\$0.00		0		0		\$0.00
CUSTER	\$0.00		0		0		\$0.00
DELTA	\$0.43	5,839,274	2,502,223	750,300	3.33496	6,204,080	\$1.06
DENVER	\$0.00		0		0		\$0.00
DOLORES	\$0.00		0		0		\$0.00
DOUGLAS	\$0.00		0		0		\$0.00
EAGLE	\$0.00		0		0		\$0.00
ELBERT	\$0.00		0		0		\$0.00
ELPASO	\$0.00		0		0		\$0.00
FREMONT	\$0.74		0		0		\$0.00
GARFIELD	\$0.00	323,011	0		0		\$0.00
GILPIN	\$0.00		0		0	607,270	\$1.88
GRAND	\$0.00		0		0		\$0.00
GUNNISON	\$1.68	7,881,703	13,206,026	13,744,710	0.96081	16,098,900	\$2.04
HINSDALE	\$0.00		0		0		\$0.00
HUERFANO	\$0.00	0	0		0	0	\$0.00
JACKSON	\$0.00	0	0		0	0	\$0.00
JEFFERSON	\$0.00		0		0		\$0.00
KIOWA	\$0.00		0		0		\$0.00
KIT CARSON	\$0.00		0		0		\$0.00
LAKE	\$0.00		0		0		\$0.00
LA PLATA	\$0.91	247,455	224,847	223,270	1.00706	297,890	\$1.20
LARIMER	\$0.00		0		0		\$0.00
LAS ANIMAS	\$0.00	0	0		0	0	\$0.00
LINCOLN	\$0.00		0		0		\$0.00
LOGAN	\$0.00		0		0		\$0.00
MESA	\$0.55	0	0	156,510	0	0	\$0.00
MINERAL	\$0.00		0		0		\$0.00
MOFFAT	\$1.82	7,709,906	14,048,544	14,191,640	0.98992	13,419,400	\$1.74
MONTEZUMA	\$0.00		0		0		\$0.00
MONTROSE	\$1.69	370,724	627,789	608,630	1.03148	761,870	\$2.06
MORGAN	\$0.00		0		0		\$0.00
OTERO	\$0.00		0		0		\$0.00
OURAY	\$0.00		0		0		\$0.00
PARK	\$0.00		0		0		\$0.00
PHILLIPS	\$0.00		0		0		\$0.00
PITKIN	\$0.00		0		0		\$0.00
PROWERS	\$0.00		0		0		\$0.00
PUEBLO	\$0.00		0		0		\$0.00
RIO BLANCO	\$1.28	2,027,894	2,600,122	1,709,200	1.52125	2,453,530	\$1.21
RIO GRANDE	\$0.00		0		0		\$0.00
ROUTT	\$1.29	9,441,684	12,179,592	12,802,400	0.95135	13,262,360	\$1.40
SAGUACHE	\$0.00		0		0		\$0.00
SAN JUAN	\$0.00		0		0		\$0.00
SAN MIGUEL	\$0.00		0		0		\$0.00
SEDGWICK	\$0.00		0		0		\$0.00
SUMMIT	\$0.00		0		0		\$0.00
TELLER	\$0.00		0		0		\$0.00
WASHINGTON	\$0.00		0		0		\$0.00
WELD	\$0.00		0		0		\$0.00
YUMA	\$0.00		0		0		\$0.00
BROOMFIELD	\$0.00		0		0		\$0.00
WEIGHTED AVERAGE		33,841,651	45,389,142	44,186,660		53,105,330	
NET ASSESSED DIFFERENCE			1,0272	2.72%			
BALANCING		26,496,313	1,202,482			34,540,120	

RARS EARTH & STONE ANALYSIS WORKSHEET - 2002

13-Jan-03

	E&S 2000 \$/TON	2002 TONS	ADJ 2000 ASSESSED VALUE	ACT 2000 ASSESSED VALUE	COUNTY FACTOR	ACT 2002 ASSESSED VALUE	E&S 2002 \$/TON
ADAMS	\$0.26	10,690,683	2,767,847	2,399,160	1.15367	3,685,130	\$0.34
ALAMOSA	\$0.37	79,582	29,348	9,180	3.19696	18,220	\$0.23
ARAPAHOE	\$0.35	75,686	26,412	29,270	0.90237	17,250	\$0.23
ARCHULETA	\$0.57	514,479	293,377	333,640	0.87932	208,850	\$0.41
BACA	\$0.31	86,824	26,958	16,430	1.64079	20,410	\$0.24
BENT	\$0.27	88,757	23,617	34,000	0.69462	36,120	\$0.41
BOULDER	\$0.78	1,587,777	1,244,178	1,265,660	0.98303	854,258	\$0.54
CHAFFEE	\$0.36	353,829	127,304	92,950	1.36959	147,150	\$0.42
CHEYENNE	\$0.25		0	5,291	0	500	\$0.00
CLEAR CREEK	\$0.37	2,291,780	839,726	589,820	1.4237	810,840	\$0.35
CONEJOS	\$0.75	41,188	30,693	8,370	3.66702	15,060	\$0.37
COSTILLA	\$0.74	103,433	76,585	122,660	0.62437	85,540	\$0.83
CROWLEY	\$0.32	740	233	5,400	0.04322	1,880	\$2.54
CUSTER	\$0.09	159,467	15,097	15,820	0.9543	16,490	\$0.10
DELTA	\$0.33	546,822	179,695	223,170	0.80519	223,800	\$0.41
DENVER	\$0.00		0		0		\$0.00
DOLORES	\$0.00		0		0		\$0.00
DOUGLAS	\$0.61	730,103	446,591	469,970	0.95026	599,320	\$0.82
EAGLE	\$0.20	1,513,663	306,141	409,990	0.7467	555,110	\$0.37
ELBERT	\$0.36	273,359	99,710	222,440	0.44826	227,920	\$0.83
ELPASO	\$0.51	5,514,865	2,798,631	1,885,020	1.48467	2,430,940	\$0.44
FREMONT	\$0.88	2,179,848	1,926,719	2,264,550	0.85082	2,962,860	\$1.36
GARFIELD	\$0.31	1,767,551	544,870	534,030	1.0203	644,650	\$0.36
GILPIN	\$0.00		0		0		\$0.00
GRAND	\$0.32	448,658	144,946	153,740	0.9428	182,170	\$0.41
GUNNISON	\$0.71	108,863	77,450	134,580	0.5755	200,330	\$1.84
HINSDALE	\$0.00		0		0		\$0.00
HUERFANO	\$0.32	58,308	18,918	20,510	0.92239	24,160	\$0.41
JACKSON	\$0.11	23,750	2,548	6,716	0.37946	11,310	\$0.48
JEFFERSON	\$0.36	8,047,149	2,937,159	3,049,260	0.96324	3,211,610	\$0.40
KIOWA	\$0.12	26,190	3,054	4,390	0.69562	3,010	\$0.11
KIT CARSON	\$0.24	249,780	59,717	69,440	0.85998	58,400	\$0.23
LAKE	\$0.56	30,082	16,836	34,380	0.4897	13,440	\$0.45
LAPLATA	\$0.36	1,306,850	474,139	353,540	1.34112	514,210	\$0.39
LARIMER	\$0.40	5,146,959	2,065,247	1,646,490	1.25433	2,192,490	\$0.43
LAS ANIMAS	\$0.31	0	0	120,780	0	81,290	\$0.00
LINCOLN	\$0.23	161,466	37,106	70,930	0.52314	41,600	\$0.26
LOGAN	\$0.18	377,907	67,327	78,290	0.85997	97,130	\$0.26
MESA	\$0.30	2,021,258	609,126	748,490	0.81381	876,270	\$0.43
MINERAL	\$0.38	5,650	2,166	2,630	0.82362	2,690	\$0.48
MOFFAT	\$0.24	313,875	76,362	127,800	0.59751	75,250	\$0.24
MONTEZUMA	\$0.62	393,753	243,788	237,530	1.02634	169,650	\$0.43
MONTROSE	\$0.46	930,708	430,642	358,470	1.20133	439,870	\$0.47
MORGAN	\$0.24	258,067	61,922	59,810	1.03532	62,450	\$0.24
OTERO	\$0.48	275,013	131,755	112,002	1.17636	81,010	\$0.29
OURAY	\$2.26	39,516	89,191	104,480	0.85366	76,750	\$1.94
PARK	\$0.00	45,073	0	11,660	0	33,820	\$0.75
PHILLIPS	\$0.00	53,612	0	14,870	0	12,170	\$0.23
PITKIN	\$0.30	585,692	172,895	126,640	1.36525	250,040	\$0.43
PROWERS	\$0.19	1,538,100	289,076	169,350	1.70697	419,180	\$0.27
PUEBLO	\$0.28	1,850,620	522,862	357,360	1.46312	335,180	\$0.18
RIO BLANCO	\$3.61	637,844	2,303,958	1,144,090	2.01379	3,660,690	\$5.74
RIO GRANDE	\$0.64	42,646	27,314	43,030	0.63477	46,430	\$1.09
ROUTT	\$0.36	1,311,440	466,007	589,060	0.7911	359,780	\$0.27
SAGUACHE	\$0.00	0	0	2,090	0	2,090	\$0.00
SAN JUAN	\$0.00		0		0		\$0.00
SAN MIGUEL	\$1.70	22,324	37,986	106,340	0.35721	161,370	\$7.23
SEDGWICK	\$0.00		0	7,710	0		\$0.00
SUMMIT	\$0.57	601,432	343,166	552,600	0.621	243,235	\$0.40
TELLER	\$0.77	50,055	38,634	41,210	0.9375	15,940	\$0.32
WASHINGTON	\$0.19	109,304	20,905	29,210	0.7157	28,250	\$0.26
WELD	\$0.39	17,577,389	6,854,116	3,887,160	1.76327	4,335,270	\$0.25
YUMA	\$0.24	108,169	25,704	45,580	0.56394	34,990	\$0.32
BROOMFIELD	\$0.00		0	0	0		\$0.00
WEIGHTED AVERAGE		73,357,938	30,455,753	25,559,039		31,915,823	
NET ASSESSED DIFFERENCE			1,1916	19.16%			
BALANCING		42,534,827	4,896,714			14,557,730	

RARS OIL & GAS ANALYSIS WORKSHEET - 2002

14-Jan-03

	POIL(7110) 2000 \$/BBL	2002 PROD	ADJ 2000 ASSESSED VALUE	ACT 2000 ASSESSED VALUE	COUNTY FACTOR	POIL(7110) 2002 \$/BBL	ADJ PRICE = POIL 2002 PROD	2001 POIL ASSESSED	2002 POIL(7110) ASSESSED
ADAMS	\$14.07	495,511	6,971,747	\$8,652,470	0.8058	\$20.71			
ALAMOSA	\$0.00		0		0.0000	\$0.00		0	\$10,262,420
ARAPAHOE	\$13.78	65,271	899,574	\$1,064,270	0.8452	\$18.31		0	
ARCHULETA	\$1.00	3,198	3,198	\$5,422	0.5898	\$17.70		0	\$1,194,880
BACA	\$14.04	23,715	332,852	\$521,250	0.6386	\$19.66		0	\$56,610
BENT	\$12.01	510	6,124	\$3,230	1.8959	\$15.80		0	\$466,340
BOULDER	\$13.00	101,432	1,318,900	\$1,767,730	0.7461	\$19.96		0	\$8,060
CHAFFEE	\$0.00		0		0.0000	\$0.00		0	\$2,024,740
CHEYENNE	\$14.27	489,941	6,989,463	\$8,968,703	0.7793	\$18.73		0	
CLEAR CREEK	\$0.00		0		0.0000	\$0.00		0	\$9,178,603
CONEJOS	\$0.00		0		0.0000	\$0.00		0	
COSTILLA	\$0.00		0		0.0000	\$0.00		0	
CROWLEY	\$0.00		0		0.0000	\$0.00		0	
CUSTER	\$0.00		0		0.0000	\$0.00		0	
DELTA	\$0.00		0		0.0000	\$0.00		0	
DENVER	\$0.00		0		0.0000	\$0.00		0	
DOLORES	\$13.04	65,430	853,126	\$1,572,070	0.5427	\$13.66		0	
DOUGLAS	\$0.00		0		0.0000	\$0.00		0	\$893,460
EAGLE	\$0.00		0		0.0000	\$0.00		0	
ELBERT	\$10.22	48,974	500,489	\$940,500	0.5322	\$18.15		0	
ELPASO	\$0.00		0		0.0000	\$0.00		0	\$888,780
FREMONT	\$1.00	15,228	15,228	\$13,074	1.1648	\$13.95		0	
GARFIELD	\$13.59	206,944	2,813,005	\$1,657,920	1.6967	\$19.86		0	\$212,420
GILPIN	\$0.00		0		0.0000	\$0.00		0	\$4,109,320
GRAND	\$0.00		0		0.0000	\$0.00		0	
GUNNISON	\$0.00	126	0		0.0000	\$13.57		0	
HINSDALE	\$0.00		0		0.0000	\$0.00		0	\$1,710
HUERFANO	\$0.00		0		0.0000	\$0.00		0	
JACKSON	\$14.00	0	0	\$772,684	0.0000	\$0.00		0	
JEFFERSON	\$0.00		0		0.0000	\$0.00		0	\$603,920
KIOWA	\$14.05	268,188	3,768,294	\$2,448,840	1.5388	\$20.35		0	
KIT CARSON	\$13.64	47,907	653,617	\$961,140	0.6800	\$19.43		0	\$5,458,850
LAKE	\$0.00		0		0.0000	\$0.00		0	\$930,650
LA PLATA	\$13.87	39,613	549,491	\$551,100	0.9971	\$19.20		0	
LARIMER	\$14.25	19,651	280,093	\$394,220	0.7105	\$20.65		0	\$760,640
LAS ANIMAS	\$0.00		0		0.0000	\$0.00		0	\$405,700
LINCOLN	\$13.84	85,490	1,183,316	\$1,049,330	1.1277	\$19.25		0	
LOGAN	\$16.73	146,700	2,454,050	\$2,531,770	0.9693	\$21.59		0	\$1,645,620
MESA	\$13.28	1,381	18,346	\$25,560	0.7178	\$22.87		0	\$3,167,320
MINERAL	\$0.00		0		0.0000	\$0.00		0	\$31,580
MOFFAT	\$14.42	279,769	4,034,654	\$4,497,580	0.8971	\$17.26		0	
MONTEZUMA	\$12.90	272,587	3,516,498	\$3,478,300	1.0110	\$15.57		0	\$4,828,640
MONTROSE	\$0.00		0		0.0000	\$0.00		0	\$4,243,080
MORGAN	\$13.76	51,174	703,982	\$732,500	0.9611	\$19.51		0	
OTERO	\$0.00		0		0.0000	\$0.00		0	\$998,180
OURAY	\$0.00		0		0.0000	\$0.00		0	
PARK	\$0.00		0		0.0000	\$0.00		0	
PHILLIPS	\$0.00		0		0.0000	\$0.00		0	
PITKIN	\$0.00		0		0.0000	\$0.00		0	
PROWERS	\$12.62	1,429	18,031	\$70,610	0.2554	\$16.63		0	
PUEBLO	\$0.00		0		0.0000	\$0.00		0	\$23,760
RIO BLANCO	\$9.37	182,098	1,705,449	\$2,220,180	0.7682	\$19.50		0	
RIO GRANDE	\$0.00		0		0.0000	\$0.00		0	\$3,551,650
ROUTT	\$16.20	64,322	1,041,905	\$1,072,390	0.9716	\$19.50		0	
SAGUACHE	\$0.00		0		0.0000	\$0.00		0	\$1,253,980
SAN JUAN	\$0.00		0		0.0000	\$0.00		0	
SAN MIGUEL	\$12.64	9,387	118,618	\$20,610	5.7554	\$9.77		0	
SEDGWICK	\$0.00	0	0		0.0000	\$0.00		0	\$91,750
SUMMIT	\$0.00		0		0.0000	\$0.00		0	\$37,430
TELLER	\$0.00		0		0.0000	\$0.00		0	
WASHINGTON	\$14.16	668,985	9,472,302	\$9,336,600	1.0145	\$19.66		0	
WELD	\$13.98	8,722,671	121,910,145	\$84,839,440	1.4370	\$17.49		0	\$13,149,290
YUMA	\$0.00		0		0.0000	\$0.00		0	\$152,578,750
BROOMFIELD	\$0.00	209,279	0		0.0000	\$4.37		0	
	\$5.61	12,586,911	172,132,496	140,169,493		\$8.07	12,377,632	0	223,972,932
WEIGHTED AVERAGE			122.80%	22.80%				0.00%	-100.00%
NET ASSESSED DIFFERENCE			31,963,003						

RARS OIL & GAS ANALYSIS WORKSHEET - 2002									
	SOIL(7120)		ADJ 2000 ASSESSED VALUE	ACT 2000 ASSESSED VALUE	COUNTY FACTOR	ADJ PRICE =		2001 SOIL ASSESSED	2002 SOIL ASSESSED
	2000 \$/BBL	2002 PROD				SOIL 2002 \$/BBL	SOIL 2002 PROD		
ADAMS	\$12.74	52,187	664,610	\$230,290	2.8860	\$18.26	52,187	0	
ALAMOSA	\$0.00				0.0000	\$0.00	0	0	\$953,020
ARAPAHOE	\$12.33	2,453	30,241	\$32,620	0.9271	\$16.44	2,453	0	\$40,320
ARCHULETA	\$0.00				0.0000	\$0.00	0	0	
BACA	\$11.98	97,019	1,162,558	\$1,976,980	0.5880	\$17.05	97,019	0	\$1,654,130
BENT	\$0.00				0.0000	\$0.00	0	0	
BOULDER	\$0.00				0.0000	\$0.00	0	0	
CHAFFEE	\$0.00				0.0000	\$0.00	0	0	
CHEYENNE	\$12.13	1,835,303	22,262,907	\$25,151,840	0.8851	\$16.96	1,835,303	0	\$31,122,456
CLEAR CREEK	\$0.00				0.0000	\$0.00	0	0	
CONEJOS	\$0.00				0.0000	\$0.00	0	0	
COSTILLA	\$0.00				0.0000	\$0.00	0	0	
CROWLEY	\$0.00				0.0000	\$0.00	0	0	
CUSTER	\$0.00				0.0000	\$0.00	0	0	
DELTA	\$0.00				0.0000	\$0.00	0	0	
DENVER	\$0.00				0.0000	\$0.00	0	0	
DOLORES	\$0.00				0.0000	\$0.00	0	0	
DOUGLAS	\$0.00				0.0000	\$0.00	0	0	
EAGLE	\$0.00				0.0000	\$0.00	0	0	
ELBERT	\$0.00				0.0000	\$0.00	0	0	
ELPASO	\$0.00				0.0000	\$0.00	0	0	
FREMONT	\$0.00				0.0000	\$0.00	0	0	
GARFIELD	\$0.00				0.0000	\$0.00	0	0	
GILPIN	\$0.00				0.0000	\$0.00	0	0	
GRAND	\$0.00				0.0000	\$0.00	0	0	
GUNNISON	\$0.00				0.0000	\$0.00	0	0	
HINSDALE	\$0.00				0.0000	\$0.00	0	0	
HUERFANO	\$0.00				0.0000	\$0.00	0	0	
JACKSON	\$12.25	0	0	\$917,235	0.0000	\$0.00	0	0	
JEFFERSON	\$0.00				0.0000	\$0.00	0	0	\$1,943,949
KIOWA	\$12.41	4,818		\$82,590	0.0000	\$16.18	4,818	0	\$77,940
KIT CARSON	\$0.00				0.0000	\$0.00	0	0	
LAKE	\$0.00				0.0000	\$0.00	0	0	
LAPLATA	\$0.00				0.0000	\$0.00	0	0	
LARIMER	\$12.66	91,831	1,162,799	\$1,329,170	0.8748	\$16.48	91,831	0	\$1,513,070
LAS ANIMAS	\$0.00				0.0000	\$0.00	0	0	
LINCOLN	\$0.00				0.0000	\$0.00	0	0	
LOGAN	\$10.38	30,307	314,501	\$638,010	0.4929	\$36.14	30,307	0	\$1,095,430
MESA	\$0.00				0.0000	\$0.00	0	0	
MINERAL	\$0.00				0.0000	\$0.00	0	0	
MOFFAT	\$11.86	24,858	294,826	\$376,710	0.7826	\$16.43	24,858	0	\$408,400
MONTEZUMA	\$10.62	24,949	264,999	\$337,300	0.7856	\$15.50	24,949	0	\$386,700
MONTROSE	\$0.00				0.0000	\$0.00	0	0	
MORGAN	\$12.88	43,864	564,840	\$607,630	0.9296	\$15.63	43,864	0	\$685,410
OTERO	\$0.00				0.0000	\$0.00	0	0	
OURAY	\$0.00				0.0000	\$0.00	0	0	
PARK	\$0.00				0.0000	\$0.00	0	0	
PHILLIPS	\$0.00				0.0000	\$0.00	0	0	
PITKIN	\$0.00				0.0000	\$0.00	0	0	
PROWERS	\$0.00				0.0000	\$0.00	0	0	
PUEBLO	\$0.00				0.0000	\$0.00	0	0	
RIO BLANCO	\$13.25	9,810,172	130,018,173	\$85,988,430	1.5120	\$11.92	9,810,172	0	\$116,949,910
RIO GRANDE	\$0.00				0.0000	\$0.00	0	0	
ROUTT	\$15.83	1,959		\$108,100	0.0000	\$22.23	1,959	0	\$43,540
SAGUACHE	\$0.00				0.0000	\$0.00	0	0	
SAN JUAN	\$0.00				0.0000	\$0.00	0	0	
SAN MIGUEL	\$0.00	237,630			0.0000	\$1.17	237,630	0	\$279,140
SEDGWICK	\$13.00	0		\$13,260	0.0000	\$0.00	0	0	\$0
SUMMIT	\$0.00				0.0000	\$0.00	0	0	
TELLER	\$0.00				0.0000	\$0.00	0	0	
WASHINGTON	\$12.32	32,179	396,523	\$548,890	0.7224	\$17.79	32,179	0	\$572,380
WELD	\$0.97	2,509,049	2,431,142	\$2,754,860	0.8825	\$1.01	2,509,049	0	\$2,533,260
YUMA	\$0.00				0.0000	\$0.00	0	0	
BROOMFIELD	\$0.00				0.0000	\$0.00	0	0	
WEIGHTED AVERAGE	\$2.93	14,798,578	159,568,118	121,093,915		\$3.74	14,798,578	0	160,259,055
NET ASSESSED DIFFERENCE			131.77%	31.77%				0.00%	-100.00%
			38,474,203					(160,259,055)	

RARS OIL & GAS ANALYSIS WORKSHEET - 2002

	PGAS(7130)		ADJ 2000		COUNTY	ADJ PRICE =		2001 PGAS	2002 PGAS
	2000 \$/MCF	2002 PROD	ASSESSED VALUE	ACT 2000 ASSESSED VALUE		PGAS 2002 \$/MCF	PGAS 2002 PROD		
ADAMS	\$1.71	7,853,424	13,427,249	\$14,707,370	0.9130	\$2.71	7,853,424	0	\$21,292,320
ALAMOSA	\$0.00		0		0.0000	\$0.00	0	0	
ARAPAHOE	\$0.00	513,594	0	\$958,520	0.0000	\$2.21	513,594	0	\$1,135,580
ARCHULETA	\$1.47	1,060,233	1,558,668	\$545,960	2.8549	\$2.21	1,060,233	0	\$2,904,840
BACA	\$1.38	3,204,541	4,410,952	\$3,900,430	1.1309	\$2.74	3,204,541	0	\$6,068,030
BENT	\$0.95	697,153	663,783	\$1,083,550	0.6126	\$1.89	697,153	0	\$1,599,170
BOULDER	\$1.23	1,782,949	2,192,134	\$3,043,130	0.7204	\$2.29	1,782,949	0	\$5,354,890
CHAFFEE	\$1.54		0		0.0000	\$3.00	0	0	
CHEYENNE	\$0.77	3,205,065	2,457,380	\$4,985,279	0.4929	\$1.41	3,205,065	0	\$4,504,544
CLEAR CREEK	\$0.00		0		0.0000	\$0.00	0	0	
CONEJOS	\$0.00		0		0.0000	\$0.00	0	0	
COSTILLA	\$0.00		0		0.0000	\$0.00	0	0	
CROWLEY	\$0.00		0		0.0000	\$0.00	0	0	
CUSTER	\$0.00		0		0.0000	\$0.00	0	0	
DELTA	\$0.00		0		0.0000	\$0.00	0	0	
DENVER	\$0.00	289,558	0		0.0000	\$0.00	0	0	
DOLORES	\$1.98	448,613	886,277	\$1,406,330	0.6302	\$2.41	289,558	0	\$934,520
DOUGLAS	\$0.00		0		0.0000	\$0.00	448,613	0	\$1,082,710
EAGLE	\$0.00		0		0.0000	\$0.00	0	0	
ELBERT	\$0.00	248,717	0	\$415,910	0.0000	\$2.21	0	0	
ELPASO	\$0.00		0		0.0000	\$0.00	248,717	0	\$569,340
FREMONT	\$0.00		0		0.0000	\$0.00	0	0	
GARFIELD	\$1.32	88,051,280	116,333,291	\$75,713,770	1.5365	\$2.59	88,051,280	0	\$228,380,450
GILPIN	\$0.00		0		0.0000	\$0.00	0	0	
GRAND	\$0.00		0		0.0000	\$0.00	0	0	
GUNNISON	\$1.01	114,787	115,855	\$145,290	0.7974	\$1.93	114,787	0	\$222,040
HINSDALE	\$0.00		0		0.0000	\$0.00	0	0	
HUERFANO	\$0.00	16,296	0		0.0000	\$2.55	16,296	0	\$41,510
JACKSON	\$0.00		0		0.0000	\$0.00	0	0	
JEFFERSON	\$0.00		0		0.0000	\$0.00	0	0	
KIOWA	\$1.08	1,578,752	1,705,281	\$1,668,390	1.0221	\$1.90	1,578,752	0	\$2,994,650
KIT CARSON	\$0.43	1,157,251	501,087	\$881,580	0.5684	\$0.63	1,157,251	0	\$726,790
LAKE	\$0.00		0		0.0000	\$0.00	0	0	
LA PLATA	\$1.12	446,364,671	499,277,991	\$451,148,850	1.1067	\$2.30	446,364,671	0	\$1,025,855,560
LARIMER	\$1.19	249,032	297,048	\$325,390	0.9129	\$1.63	249,032	0	\$405,000
LAS ANIMAS	\$1.03	41,503,346	42,862,925	\$29,554,850	1.4503	\$2.19	41,503,346	0	\$90,912,030
LINCOLN	\$0.00		0		0.0000	\$0.00	0	0	
LOGAN	\$0.03	47,234	1,424	\$170,490	0.0084	\$14.92	47,234	0	\$704,670
MESA	\$0.00	5,045,120	0	\$8,001,680	0.0000	\$2.51	5,045,120	0	\$12,684,810
MINERAL	\$0.00		0		0.0000	\$0.00	0	0	
MOFFAT	\$1.60	17,892,472	28,574,788	\$25,519,580	1.1197	\$3.13	17,892,472	0	\$55,938,700
MONTEZUMA	\$2.22	1,967,600	4,370,550	\$3,799,300	1.1504	\$2.71	1,967,600	0	\$5,324,570
MONTROSE	\$0.00		0		0.0000	\$0.00	0	0	
MORGAN	\$1.71	163,294	279,665	\$848,940	0.3294	\$2.53	163,294	0	\$413,920
OTERO	\$0.00		0		0.0000	\$0.00	0	0	
OURAY	\$0.00		0		0.0000	\$0.00	0	0	
PARK	\$0.00		0		0.0000	\$0.00	0	0	
PHILLIPS	\$0.00	705	0		0.0000	\$0.00	0	0	
PITKIN	\$0.00		0		0.0000	\$2.55	705	0	\$1,800
PROWERS	\$1.63	814,181	1,323,940	\$1,620,230	0.8171	\$2.78	814,181	0	\$2,267,220
PUEBLO	\$0.00		0		0.0000	\$0.00	0	0	
RIO BLANCO	\$1.42	24,505,318	34,739,593	\$34,922,530	0.9948	\$2.62	24,505,318	0	\$64,178,890
RIO GRANDE	\$0.00		0		0.0000	\$0.00	0	0	
ROUTT	\$0.65	96,648	63,196	\$50,400	1.2539	\$0.56	96,648	0	\$54,360
SAGUACHE	\$0.00		0		0.0000	\$0.00	0	0	
SAN JUAN	\$0.00		0		0.0000	\$0.00	0	0	
SAN MIGUEL	\$1.43	3,602,168	5,140,323	\$1,537,410	3.3435	\$1.71	3,602,168	0	\$6,172,420
SEDGWICK	\$0.00		0		0.0000	\$0.00	0	0	
SUMMIT	\$0.00		0		0.0000	\$0.00	0	0	
TELLER	\$0.00		0		0.0000	\$0.00	0	0	
WASHINGTON	\$0.92	1,377,089	1,266,318	\$353,280	3.5845	\$2.69	1,377,089	0	\$3,702,020
WELD	\$1.84	157,005,449	289,618,192	\$208,552,640	1.3887	\$2.86	157,005,449	0	\$448,508,200
YUMA	\$1.53	18,865,299	28,847,404	\$29,551,020	0.9762	\$2.56	18,865,299	0	\$48,376,830
BROOMFIELD	\$0.00	3,299,390	0	\$0	0.0000	\$0.62	3,299,390	0	\$2,055,050
WEIGHTED AVERAGE	\$0.52	833,021,229	1,080,915,314	905,412,099		\$1.36	833,021,229	0	2,045,367,434
NET ASSESSED DIFFERENCE			119.38%	19.38%				0.00%	-100.00%
			175,503,215					(2,045,367,434)	

RARS OIL & GAS ANALYSIS WORKSHEET - 2002

Helium (7147) value is included in O&G land in Cheyenne

	OTHER 2000 \$/MCF	2002 PROD	ADJ 2000 ASSESSED VALUE	ACT 2000 ASSESSED VALUE	COUNTY FACTOR	OTHER 2002 \$/MCF	ADJ PRICE = OTHER 2002 PROD	2001 ASSESSED	2002 ASSESSED
RIO BLANCO (7155)	\$0.00	530,410	0		0.0000	\$12.70	530,410	0	6,737,270
WELD (7155)	\$0.00	96,507	0		0.0000	\$7.05	96,507	0	680,400
		626,917							
DOLORES (7145)	\$0.18	14,252,695	2,531,633	2,368,200	1.0690	\$0.20	14,252,695	0	2,801,110
HUERFANO (7145)	\$0.27	32,906,354	8,946,086	12,305,280	0.7270	\$0.37	32,906,354	0	12,138,880
JACKSON (7145)	\$0.16	0	0	202,102	0.0000	\$0.00	0	0.875	
JACKSON PGAS	\$0.00	0	0		0.0000	\$0.00	0	0	185,804
		0						0	
MONTEZUMA (7145)	\$0.19	233,533,137	43,714,545	40,189,650	1.0877	\$0.20	233,533,137	0.875	
MONTEZUMA PGAS	\$0.00		0		0.0000	\$0.00	0	0	47,680,700
		233,533,137						0	
			55,192,263	55,065,232			281,319,103	1.750	70,224,164
NET ASSESSED DIFFERENCE			1,153,601,689	100.23% 127,031				0	(1)
							(70,224,162)	2,516,024,977	
TOTAL								1.750	2,516,024,977
TOTAL WEIGHTED AVERAGE								0	(1)
TOTAL NET ASSESSED DIFF							(2,516,024,975)		
BALANCING			836,162,189	274,148,254					839,804,010
DIFFERENCE			317,439,500						1,676,220,967