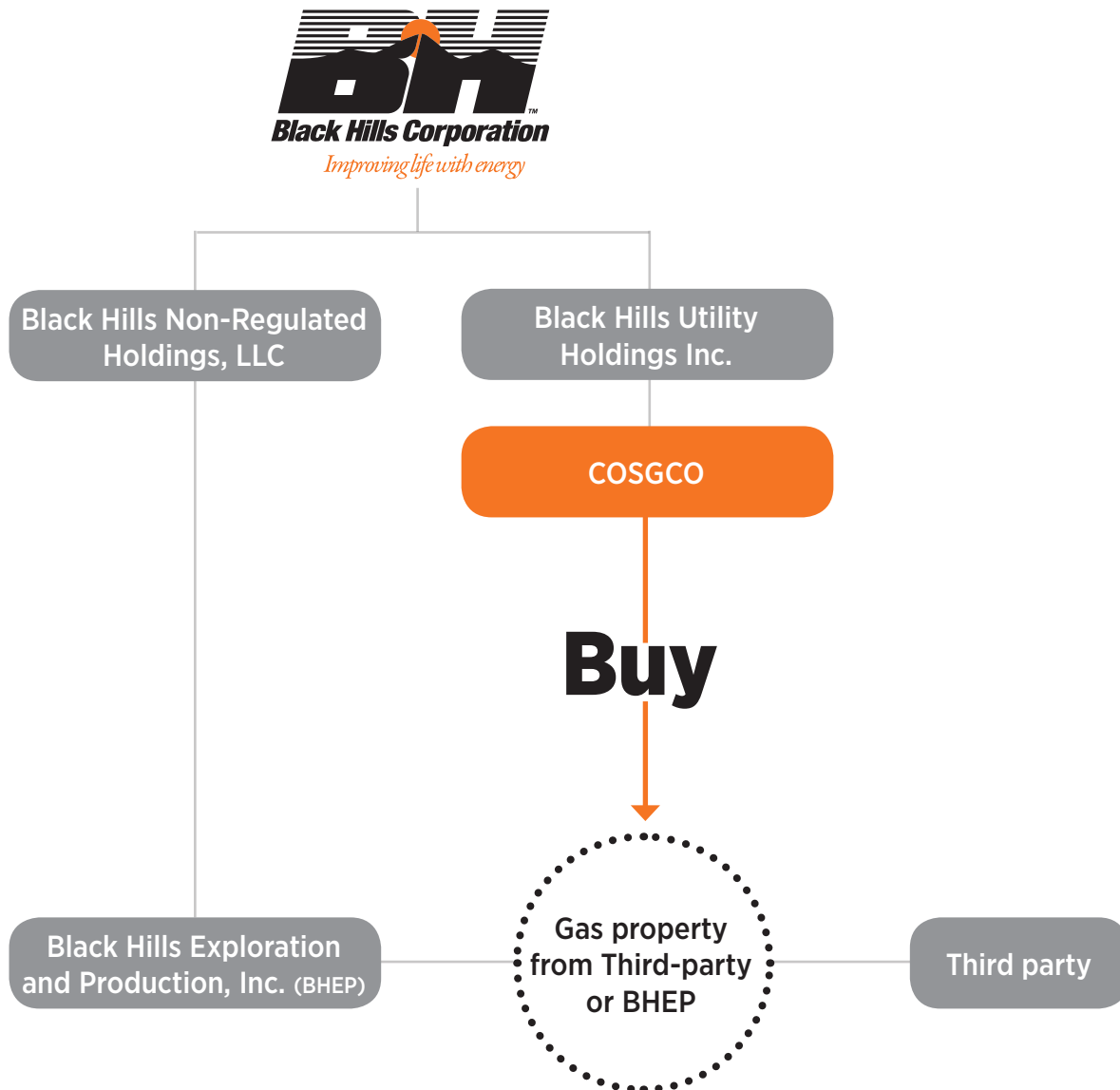


A Potential Structures for COSGCO's Acquisition/Development Deals

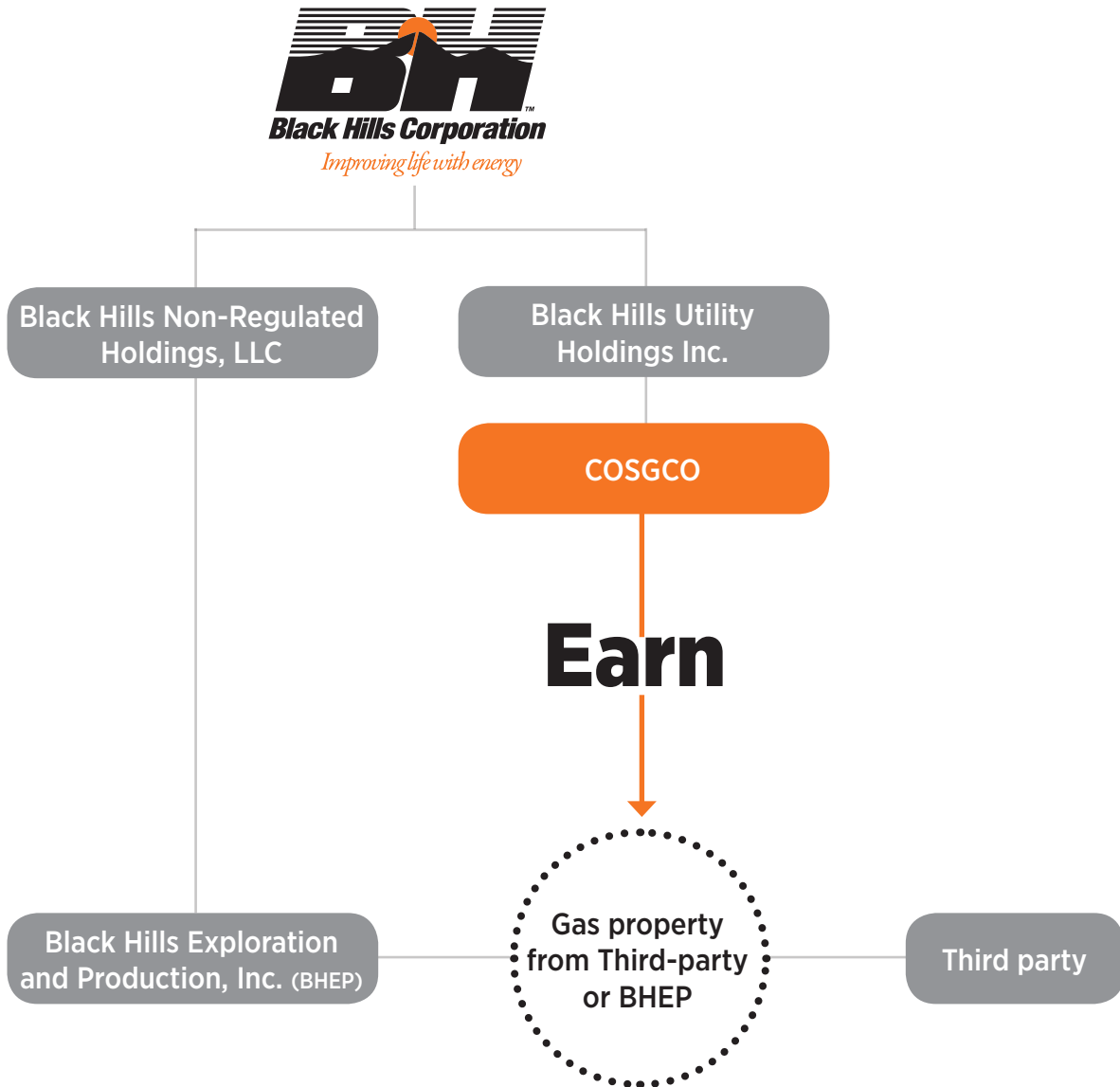


COSGCO buys interest in gas property either from a third party or from BHEP.

COSGCO could buy interests in both existing wells and new drilling locations.

BHEP or third party would be operator for COSGCO

B Potential Structures for COSGCO's Acquisition/Development Deals



COSGCO earns interests by funding drilling of new wells.

COSGCO could earn interests in both existing wells and new wells.

Earning interests has tax advantages for ratepayers.

BHEP or third party would be operator for COSGCO