

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD  
ENDED JUNE 30, 2000

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD  
FROM \_\_\_\_\_ TO \_\_\_\_\_

Commission File No. 0-30321

QUESTAR MARKET RESOURCES, INC.

(Exact name of registrant as specified in its charter)

STATE OF UTAH 87-0287750  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

P.O. Box 45601, 180 East 100 South, Salt Lake City, Utah 84145-0601  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (801) 324- 2600

Indicate by check mark whether the registrant (1) has filed all  
reports required to be filed by Section 13 or 15(d) of the  
Securities Exchange Act of 1934 during the preceding 12 months (or  
for such shorter period that the registrant was required to file  
such reports), and (2) has been subject to such filing requirements  
for the past 90 days.

Yes No X

Indicate the number of shares outstanding of each of the issuer's  
classes of common stock, as of the latest practicable date.

Class	Outstanding as of July 31, 2000
Common Stock, \$1.00 par value	4,309,427 shares

Registrant meets the conditions set forth in General Instruction  
H(a)(1) and (b) of Form 10-Q and is filing this Form 10-Q with the  
reduced disclosure format.

PART I FINANCIAL INFORMATION  
Item 1. Financial Statements

QUESTAR MARKET RESOURCES, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
(Unaudited)

	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2000	1999	2000	1999
	(In Thousands)			
REVENUES	\$165,201	\$114,222	\$ 306,962	\$230,068
OPERATING EXPENSES				
Natural gas and other product purchases	79,790	53,859	143,683	110,251
Operating and maintenance	24,552	19,330	47,470	39,499
Depreciation and amortization	21,151	19,379	42,128	38,984
Write-down of full-cost properties				
Other taxes	8,044	4,530	15,358	9,658
Wexpro settlement agreement - oil income sharing	1,209	213	2,193	422
TOTAL OPERATING EXPENSES	134,746	97,311	250,832	198,814
OPERATING INCOME	30,455	16,911	56,130	31,254

INTEREST AND OTHER INCOME	1,950	1,800	3,043	2,647
INCOME (LOSS) FROM UNCONSOLIDATED AFFILIATES	306	(31)	1,305	(62)
DEBT EXPENSE	(6,303)	(4,290)	(11,673)	(8,553)
INCOME FROM BEFORE INCOME TAXES	26,408	14,390	48,805	25,286
INCOME TAXES	9,226	3,958	16,574	6,601
NET INCOME	\$ 17,182	\$ 10,432	\$ 32,231	\$ 18,685

See notes to consolidated financial statements

QUESTAR MARKET RESOURCES, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS

June 30, December 31,  
2000 1999  
(Unaudited)  
(In Thousands)

ASSETS

Current assets

Cash and cash equivalents	\$ 6,292	
Notes receivable from Questar Corp.		\$ 4,000
Accounts receivable, net	124,080	75,823
Inventories	4,449	11,253
Other current assets	5,218	4,452
Total current assets	140,039	95,528

Property, plant and equipment	1,575,906	1,469,676
Less allowances for depreciation	820,330	778,695
Net property, plant and equipment	755,576	690,981

Investment in unconsolidated affiliates	14,457	13,301
Other assets		
Cash held in escrow account	4,312	36,727
Securities available for sale	11,449	10,402
Other	3,096	952
	18,857	48,081

\$928,929 \$ 847,891

LIABILITIES AND SHAREHOLDER'S EQUITY

Current liabilities

Checks outstanding in excess of cash balances		\$ 1,246
Notes payable to Questar Corp.	\$ 30,300	24,500
Accounts payable and accrued expenses	106,746	92,278
Total current liabilities	137,046	118,024

Long-term debt	294,548	264,894
Other liabilities	9,988	14,674
Deferred income taxes	69,768	59,936
Minority interest	3,586	2,529
Common shareholder's equity		
Common stock	4,309	4,309
Additional paid-in capital	116,027	116,027
Retained earnings	293,969	270,388
Other comprehensive loss	(312)	(2,890)
Total common shareholder's equity	413,993	387,834

\$928,929 \$ 847,891

See notes to consolidated financial statements

QUESTAR MARKET RESOURCES, INC. AND SUBSIDIARIES  
CONDENSED STATEMENTS OF CASH FLOWS  
(Unaudited)

	6 Months Ended	
	June 30,	
	2000	1999
	(In Thousands)	
OPERATING ACTIVITIES		
Net income	\$ 32,231	\$ 18,685
Depreciation	42,475	40,468
Deferred income taxes	2,577	358
(Income) loss from unconsolidated affiliates, net of cash distributions	(1,155)	624
Gain from sale of securities	(896)	(388)
Changes in operating assets and liabilities	(37,077)	4,881
NET CASH PROVIDED FROM OPERATING ACTIVITIES	38,155	64,628
INVESTING ACTIVITIES		
Capital expenditures		
Property, plant and equipment	(101,455)	(43,401)
Other investments		(10,390)
Total	(101,455)	(53,791)
Proceeds from disposition of property, plant and equipment, and investments	6,789	2,499
NET CASH USED IN INVESTING ACTIVITIES	(94,666)	(51,292)
FINANCING ACTIVITIES		
Change in notes receivable from Questar Corporation	4,000	95,900
Change in notes payable to Questar Corporation	5,800	(144,900)
Cash released from escrow account	32,414	
Long-term debt issued	37,476	174,327
Long-term debt repaid	(6,349)	(130,000)
Payment of dividends	(8,650)	(8,300)
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	64,691	(12,973)
Foreign currency translation adjustment	(642)	23
CHANGE IN CASH AND CASH EQUIVALENTS	\$ 7,538	\$ 386

See notes to consolidated financial statements

QUESTAR MARKET RESOURCES, INC. AND SUBSIDIARIES  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
 June 30, 2000  
 (Unaudited)

Note 1 - Basis of Presentation

The interim financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented. All such adjustments are of a normal recurring nature. Due to the nature of the business, the results of operations for the three-and six-month periods ended June 30, 2000, are not necessarily indicative of the results that may be expected for the year ending December 31, 2000. For further information refer to the financial statements and footnotes thereto included in the Company's report on Form 10 dated April 12, 2000.

Note 2 - Purchase of Canadian Gas and Oil Company

On January 26, 2000, a subsidiary of Questar Market Resources (QMR or the Company) acquired 100% of the outstanding shares of Canor Energy Ltd (Canor) from NI Canada ULC, a subsidiary of Northwest Natural Gas Co for cash of \$US 61 million plus the assumption of \$5.4 million of short-term debt. The transaction was accounted for as a purchase. Canor owns and/or operates more than 800 wells located in Alberta, British Columbia and Saskatchewan provinces of Canada. Canor's proven gas and oil reserves were estimated at 61.1 billion cubic feet equivalent. Assets purchased and liabilities assumed were as follows:

(In Thousands)

Cash	\$	245
Other current assets		3,502
Property, plant and equipment		73,720
Other assets		282
Short-term debt		(5,444)
Other current liabilities		(4,356)
Deferred income taxes		(4,976)
Other liabilities		(1,989)
Total purchase price, including acquisition costs	\$	60,984

Note 3 - Debt Offering

On April 12, 2000, QMR filed a registration statement with the Securities and Exchange Commission for a public debt offering. Following effectiveness of such registration statement, QMR intends to issue \$150 million of notes and use the proceeds to repay a portion of the outstanding debt.

Note 4 - Operations By Line of Business

	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2000	1999	2000	1999

(In Thousands)

REVENUES FROM UNAFFILIATED CUSTOMERS

Exploration and production - U.S.	\$ 48,633	\$ 35,365	\$ 91,169	\$ 69,081
Exploration and production - Canada	8,781	2,916	15,754	5,400
Wexpro - cost of service	3,080	739	6,924	2,863
Gas management and energy trading	83,595	56,828	149,713	113,147
	\$144,089	\$ 95,848	\$ 263,560	\$190,491

REVENUES FROM AFFILIATED COMPANIES

Wexpro - cost of service	\$ 18,103	\$ 15,095	\$ 35,233	\$ 30,189
Gas management and energy trading	3,009	3,279	8,169	9,388
	\$ 21,112	\$ 18,374	\$ 43,402	\$ 39,577

OPERATING INCOME (LOSS)				
Exploration and production - U.S.	\$ 16,095	\$ 8,092	\$ 29,827	\$ 12,779
Exploration and production - Canada	3,080	726	5,153	1,014
Wexpro - cost of service	9,365	7,440	18,396	15,234
Gas management and energy trading	1,915	653	2,754	2,227
OPERATING INCOME	\$ 30,455	\$ 16,911	\$ 56,130	\$ 31,254
NET INCOME (LOSS)				
Exploration and production - U.S.	\$ 8,932	\$ 5,016	\$ 16,810	\$ 7,645
Exploration and production - Canada	662	(22)	1,180	(279)
Wexpro - cost of service	5,950	4,770	11,737	9,854
Gas management and energy trading	1,638	668	2,504	1,465
NET INCOME	\$ 17,182	\$ 10,432	\$ 32,231	\$ 18,685

#### Note 5 - Comprehensive Income

Comprehensive income is defined as any nonowner change in common equity. Generally, comprehensive income includes earnings reported on the income statement plus changes in common equity formerly reported on the balance sheet only. Other comprehensive income included in this note is comprised of changes in the market value of the investments in securities available for sale and foreign currency translation adjustments. These transactions are not the culmination of the earnings process, but result from periodically adjusting historical balances to market value.

	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2000	1999	2000	1999
	(In thousands)			
Comprehensive Income:				
Net income	\$ 17,182	\$ 10,432	\$ 32,231	\$ 18,685
Other comprehensive income (loss)				
Unrealized gain (loss) on securities available for sale	3,397	(332)	5,517	
Foreign currency translation adjust	(1,040)	(272)	(1,560)	(491)
Other comprehensive income (loss) before income taxes	2,357	(604)	3,957	(491)
Income taxes on other comprehensive income (loss)	776	(231)	1,379	(188)
Net other comprehensive income	1,581	(373)	2,578	(303)
Total comprehensive income (loss)	\$ 18,763	\$ 10,059	\$ 34,809	\$ 18,382

#### Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

##### QUESTAR MARKET RESOURCES, INC.

June 30, 2000

(Unaudited)

#### Operating Results

Questar Exploration and Production, Wexpro, Questar Gas Management and Questar Energy Trading, collectively Questar Market Resources (QMR or the Company), conducts exploration and production, gas gathering and processing, and energy marketing operations. Following is a summary of QMR's financial results and operating information.

	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2000	1999	2000	1999
FINANCIAL RESULTS - (dollars in thousands)				
Revenues				
From unaffiliated customers	\$144,089	\$ 95,848	\$ 263,560	\$190,491
From affiliates	21,112	18,374	43,402	39,577
Total revenues	\$165,201	\$114,222	\$ 306,962	\$230,068
Operating income	\$ 30,455	\$ 16,911	\$ 56,130	\$ 31,254

Net income	17,182	10,432	32,231	18,685
OPERATING STATISTICS				
Production volumes				
Natural gas (in million cubic feet)	17,674	15,341	34,624	30,389
Oil and natural gas liquids (in thousands of barrels)				
Questar Exploration & Production	563	588	1,117	1,194
Wexpro	140	127	268	268
Total oil and NGL production	703	715	1,385	1,462
Production revenue				
Natural gas (per thousand cubic feet)	\$ 2.48	\$ 1.93	\$ 2.33	\$ 1.90
Oil and natural gas liquids (per barrel)	\$ 20.98	\$ 13.99	\$ 21.62	\$ 12.28
Marketing volumes in energy equivalent decatherms (in thousands of decatherms)				
Natural gas gathering volumes (in thousands of decatherms)	25,180	26,158	52,205	60,317
For unaffiliated customers	23,261	21,835	45,039	42,126
For Questar Gas	9,235	8,682	19,088	16,919
For other affiliated customers	6,514	4,560	11,678	9,119
Total gathering	39,010	35,077	75,805	68,164
Gathering revenue (per decatherm)	\$ 0.13	\$ 0.15	\$ 0.14	\$ 0.15

#### Revenues

Revenues reported for the 2000 periods presented were substantially higher than the revenues for the comparable 1999 periods as a result of higher prices for gas and oil and increased gas production. The average natural gas price per thousand cubic feet (Mcf) rose 28% in the second quarter and 23% in the first half of 2000 when compared with the same periods of 1999. The increase in gas prices reflected a strong demand caused largely by the use of natural gas in the generation of electricity. Oil and natural gas liquids (NGL) prices increased 45% in the second quarter and 71% per barrel in the first half of 2000 (excluding Wexpro's oil production). Oil and NGL prices have increased steadily over the past year as production generally declined and demand rose.

Of the current 6 Bcf per month gas production, approximately 42% is covered by hedge contracts at an average price of \$2.20 per Mcf, net back to the wellhead. About one-third of the contracts are collars and the remainder are fixed price contracts. The floor price of collar arrangements is used in calculating the average hedged price. Approximately 76% of oil, excluding Wexpro production, is hedged at an average price of \$17.14 per barrel, net back to the wellhead through the end of 2001.

The second quarter of 2000 includes record production levels with an average monthly production of 7 billion cubic feet equivalent, excluding Wexpro. Production benefited from a successful development drilling program and the first quarter acquisition of Canadian producing properties. Canadian gas production grew 165% to 1.9 billion cubic feet (Bcf). U.S. gas production was 8% above year-ago levels at 15.8 Bcf as increased drilling activity offset a property sale in the fourth quarter of 1999. However, the increased drilling did not fully replace the production of oil and NGL production as a result of selling nonstrategic properties in the fourth-quarter of 1999.

#### Expenses

Operating and maintenance expenses were higher in the three-, six- and twelve-month periods of 2000 when compared with the corresponding 1999 periods primarily because of increased investment in producing properties including the acquisition of a Canadian gas and oil company in January 2000. In addition, higher gas prices increased the cost of replacing gas in extraction plant operations.

The full-cost amortization rate for U.S. operations dropped \$.03 to \$.79 per thousand cubic feet equivalent of production (Mcf) compared with the second quarter of 1999.

The U.S. rate is expected to be about \$.77 in the third quarter of 2000. The declining U.S. rate has driven the combined U.S. and Canadian full-cost amortization rate to \$.80 per energy-equivalent Mcf (Mcf) for the first half of 2000 compared with \$.82 for the comparable 1999 period. The lower rate was due to successfully adding reserves through drilling and purchases, while selling nonstrategic properties at favorable prices. Depreciation and amortization expenses were higher in the 2000 periods presented when compared with the 1999 periods. Increased production volumes from full-cost properties more than offset the lower amortization rates. Increased investment in other properties also resulted in higher depreciation expense in the 2000 periods.

Higher commodity prices and increased production volumes resulted in an increase in production-related taxes reported in other taxes on the income statement. Debt expense was higher in the 2000 periods presented because of increased borrowings and higher short-term interest rates.

The effective income tax rate for the first half was 34% in 2000 and 26.1% in 1999. The effective income tax rate increased largely because of a reduction in production-related tax credits and a higher portion of earnings coming from Canada, where income tax rates are higher. The Company recognized \$2,259,000 of production-related tax credits in the 2000 period and \$2,608,000 in the 1999 period.

#### Net income

QMR's second quarter net income increased \$6.8 million representing a 65% improvement over the second quarter of 1999. First half 2000 net income was 72% higher compared with the first half of 1999. Higher commodity prices and gas production and a lower full-cost amortization rate were primary reasons for the increase. Other factors include higher earnings from Wexpro and gas-management operations.

Wexpro's net income increased \$1.9 million to \$11.7 million in the first half of 2000. Wexpro expanded its investment in development-drilling projects in response to higher regional demand. Wexpro develops gas reserves on behalf of affiliated company, Questar Gas, which is a rate-regulated distributor of natural gas. At year-end 1999, Wexpro earned an average 18.9% after-tax return on investment in those properties. In addition, increased oil and NGL prices resulted in higher earnings for Wexpro and an increase in shared oil profits for Questar Gas.

Gas-management and energy-trading operations reported \$2.5 million in combined earnings for the first half of 2000 versus \$1.5 million a year ago. Volumes of gas gathered increased 11% in the first half of 2000 reflecting more production in the areas served. Higher prices benefited the operations of liquids-extraction plants that experienced improved results for the second quarter and first half of 2000. The plants extract and sell liquids from the natural gas stream. Increased commodity prices caused revenues from energy-marketing activities to be higher in the 2000 periods but were offset by the low value of transportation contracts and settlement of gas imbalances.

#### Liquidity and Capital Resources

##### Operating Activities

Net cash provided from operating activities in the first half of 2000 of \$38.2 million was \$26.5 million less than was generated in the first half of 1999. Cash deposits as a result of hedging account margin calls and timing differences in collection of accounts receivables more than offset the effects of higher net income. The interest-bearing hedging account deposit payments amounted to \$36.4 million at June 30, 2000 and were classified as receivables on the balance sheet.

##### Investing Activities

Capital expenditures were \$101.5 million in 2000, which includes a \$60.7 million cash payment, net of cash received, for the purchase of a Canadian company. Capital expenditures for calendar year 2000 are estimated at \$175.7 million.

#### Financing Activities

QMR financed capital expenditures, including the acquisition of a Canadian company, through borrowings from Questar and from an existing long-term debt arrangement, from net cash provided from operating activities and from cash released from an escrow account. Debt balances owed to Questar as of June 30, 2000, amounted to \$30.3 million and \$24.5 million at December 31, 1999. QMR filed a registration statement with the Securities and Exchange Commission in order to raise \$150 million in a public debt offering. Proceeds of the debt offering will be used to repay a portion of debt outstanding. QMR intends to finance remaining 2000 capital expenditures through net cash provided from operations, borrowings from Questar and borrowings under an existing long-term debt facility.

#### Revenue Recognition Guideline Issued by the Securities and Exchange Commission

In December 1999, the SEC issued Staff Accounting Bulletin (SAB) 101, "Revenue Recognition in Financial Statements." The SAB raised issues concerning the timing of recording revenues given that sales transactions may contain some conditions allowing customers to return products or receive refunds. The effect of adopting this accounting guideline is not known at this time because the Company has not completed its evaluation. The SEC has postponed the effective date of this ruling from the second quarter of 2000 to the fourth quarter.

#### Forward-Looking Statements

The 10-Q contains forward-looking statements about future operations, capital spending, regulatory matters and expectations of Questar Market Resources. According to management, these statements are made in good faith and are reasonable representations of the Company's expected performance at the time. Actual results may vary from management's stated expectations and projections due to a variety of factors.

Important assumptions and other significant factors that could cause actual results to differ materially from those discussed in forward-looking statements include changes in general economic conditions, gas and oil prices and supplies, competition, regulation of the Wexpro settlement agreement, availability of gas and oil properties for sale or for exploration and other factors beyond the control of the Company. These other factors include the rate of inflation and adverse changes in the business or financial condition of the Company.

These factors are not necessarily all of the important factors that could cause actual results to differ significantly from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have a significant adverse effect on future results. The Company does not undertake an obligation to update forward-looking information contained herein or elsewhere to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking information.

## Part II Other Information

### Item 1. Legal Proceedings

a. Questar Exploration and Production Company ("Questar E&P"), a wholly owned subsidiary of Questar Market Resources, Inc. ("Market Resources" or the "Company") is the primary Questar defendant in a class action lawsuit--Bridenstine v. Kaiser Francis Oil Company--pending in an Oklahoma state court. See the Company's Form 10, Item 8. Legal Proceedings. Both the Company and its



parent, Questar Corporation ("Questar") are also named defendants. Plaintiffs have recently claimed additional damages because the defendants allegedly did not market gas volumes for the "best available price." The damages claimed by the plaintiffs increased from an estimated \$54 million to an estimated \$80 million plus punitive damages. The trial judge delayed the jury trial from August of 2000 to January of 2001, but has not yet ruled on motions filed by the defendants for partial summary judgment.

Questar E&P disputes the claims filed by the plaintiffs.

b. Questar Energy Trading Company and Questar Gas Management Company, two of the Company's wholly owned subsidiaries, have been added as defendants in a lawsuit filed by Jack Grynberg, an independent producer, pending in a Utah state district court (Grynberg v. Questar Pipeline Company). The lawsuit was originally filed against Questar Pipeline Company, an affiliate of the Company in Questar's Regulated Services unit, in September of 1999. It alleges that the Questar defendants mismeasured gas volumes attributable to his working interest from a property in southwestern Wyoming. The plaintiff cites mismeasurement to support claims for breach of contract, negligent misrepresentation, fraud, breach of fiduciary responsibilities, but does not allege any specific damages.

The Questar defendants have filed a comprehensive motion to dismiss the complaint on several grounds including expiration of the applicable statute of limitations, no basis for independent tort claims, and federal preemption.

The Company's subsidiaries and affiliates have been involved in several cases filed by Mr. Grynberg alleging gas mismeasurement and resulting underpayment to interest owners. See the Company's Form 10, Item 8. Legal Proceedings, for a description of another case filed by Mr. Grynberg.

Item 6. Exhibits and Reports on Form 8-K

a. The following exhibit has been filed as part of this report.

Exhibit No.	Exhibit
12.	Ratio of earnings to fixed charges.

b. The Company did not file a Current Report on Form 8-K during the quarter.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

QUESTAR MARKET RESOURCES, INC.  
(Registrant)

August 11, 2000  
(Date)

/s/G. L. Nordloh  
G. L. Nordloh  
President and Chief  
Executive Officer

August 11, 2000  
(Date)

/s/ S. E. Parks  
S. E. Parks  
Vice President, Treasurer and  
Chief Financial Officer

EXHIBIT LIST

Exhibit Number	Exhibit
12.	Ratio of earnings to fixed charges.

Questar Market Resources, Inc. and Subsidiaries  
 Ratio of Earnings to Fixed Charges  
 (Unaudited)

	12 months ended June 30,	
	2000	1999
	(Dollars in Thousands)	
<b>Earnings</b>		
Income from continuing operations before income taxes	\$87,969	\$11,347
Less income Canyon Creek	(211)	(238)
Plus distribution from Canyon Creek	285	277
Plus debt expense	20,483	16,064
Plus interest capitalized during construction	192	1,148
Plus interest portion of rental expense	994	815
	\$109,712	\$29,413
<b>Fixed Charges</b>		
Debt expense	\$20,483	\$16,064
Plus interest capitalized during construction	192	1,148
Plus interest portion of rental expense	994	815
	\$21,669	\$18,027
Ratio of Earnings to Fixed Charges	5.06	1.63

1/ For purposes of this presentation, earnings represent income from continuing operations before income taxes and fixed charges. Fixed charges consist of total interest charges, amortization of debt issuance costs, and the interest portion of rental costs (which is estimated at 50%).

2/ Income from continuing operations before income taxes includes QMR's 50% share of pretax earnings of Blacks Fork.

3/ Distributions from Canyon Creek are included and earnings are excluded because QMR owns less than 50%. QMR's ownership interest in Canyon Creek is 15%.

4/ Write-down of investment in full-cost oil and gas properties reduced income from continuing operations before income taxes by \$31 million in the fourth quarter of 1998.

The schedule contains summarized financial information extracted from the Questar Market Resources, Inc. consolidated Statements of Income and Balance Sheet for the period ended June 30, 2000, and is qualified in its entirety by reference to such unaudited financial statements.

1,000

6-MOS		
	DEC-31-2000	
	JUN-30-2000	
		6,292
		11,449
		124,080
		0
		4,449
	140,039	
		1,575,906
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	137,046	
		294,548
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		0
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		409,684
928,929		
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		0
		32,231
		0
		0