

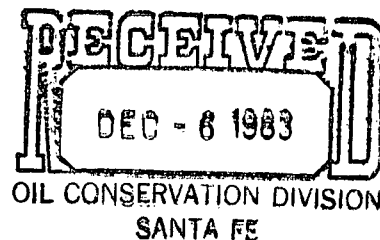


INEXCO OIL COMPANY

December 1, 1983

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Att: Joe D. Ramey



Re: Schedule of Actual Costs, ~~Norris #1 Well~~
Case No. 7864, ~~Order No. R 7285~~
~~South Humble City Strawn Pool AH NM 181~~
Lea County, New Mexico
W/2 SW/4 Sec 13-T17S, R37E

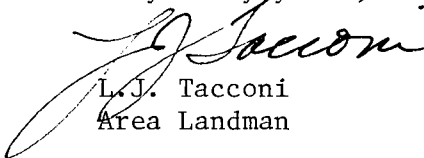
Gentlemen:

Attached for your further handling are schedules showing the total well costs for the Inexco Norris # 1 well to be \$1,239,260.35 as of October 31, 1983. By copy of this letter we are supplying all owners, both joinder and compulsory pooled, with a copy of each of the schedules.

Should you need further information, please advise us of your earliest convenience.

Please accept my apologies for being a few days late with the information, but bills for surface equipment were not available when the schedule was completed for that period through 9-30-83 and we thought it best to furnish you with a more complete report.

Very truly yours,


L.J. Tacconi
Area Landman

LJT/bkb
Enclosure

CC/ Addressee List for Norris # 1



45-804 Eye-Ease
45-904 20/20 Buff
Made in USA

	Initials	Date
Prepared By		
Approved By		

Inverco Oil Company
Drilling Costs - Norris #1
As of October 1983

Account	Amount
<u>Intangible Costs</u>	
Access & Location	31867-
Move-In, Rig-Up, Rig-Down, Move-Out	4557182
Contract Daywork-Drilling	21342974
Contract Daywork-Completion	3877086
Fuel, Power, & Water & Waterlines	3841298
Bits, Reamers, & Stabilizers	3640943
Equipment Rentals	4560893
Cementing & Squeezing	4658939
Drilling Mud & Chemicals	3744456
Logging, Coring, & Testing	3611447
Acidizing, Fracturing, & Perforating	1508395
Company & Contract Labor & Expense	16318541
Transportation	3499660
Miscellaneous Drilling Cost	899631
Losses, Damages, & Repairs	106283
Drilling Overhead	6303-
Equipment Valuation	484319
Total Intangible	80468997
<u>Tangible Costs</u>	
Subsurface (See Schedule A)	34764350
Surface (See Schedule B)	8062901
Total Tangible	
<u>Lease Operating Costs</u>	589787
<u>Producing Overhead</u>	400-
Total Well Costs at 10-83	123926035

Ingersoll Oil Company
Tongzib Subsurface Drilling Co. - Norris #1
20 of October 1983
Schedule A

Pipe Description	Joints	Footage	Amount
<u>13 3/8 INCH</u>			
61 #K55 LTC	12	468	1449432
Total	12	468	1449432
<u>9 5/8 INCH</u>			
47 #S95 LTC	29	1132	4021838
40 #K70 LTC	74	3020	6529250
43 #P110 LTC	12	501	1673340
47 #N80 LTC	2	72	233280
Total	117	4725	12457698
<u>5 1/2 INCH</u>			
17 #N80 LTC	144	6056	7358319
17 #S95 LTC	79	3203	3246326
17 #P110 LTC	9	320	340800
17 #K55 LTC	0	101	65592
17 #J55 LTC	55	2239	2158396
Total	287	11869	13169433
<u>2 3/8 INCH</u>			
6.5 #N80 EUE	390	12035	4982490
TOTAL	390	12035	4982490
NON-CONTROLLABLE SUBSURFACE			2705297
TOTAL SUBSURFACE EQUIPMENT			34764350



45-804 Eye-Ease
45-904 20/20 Buff
Made in USA

Inexco Oil Company
Tangible Surface Drilling Costs-Morris #1
As of October 1983
Schedule B

	Initials	Date
Prepared By		
Approved By		

		2	3	4
		Amount		
1				
2	13 5/8 INCH 3M x 13 3/8 INCH			
3	50W WKM CSG HEAD	173475		
4	2 INCH 5M LPO 6DLFCO			
5	GATE VALVE	83100		
6	13 5/8 INCH x 9 5/8 INCH SLIP			
7	+ SEAL ASSEMBLY	150375		
8	13 5/8 INCH 3M x 11 INCH 5M			
9	CIW CSG SPOOL	284306		
10	2 1/16 INCH 5M CIW TYPE F			
11	GATE VALVES			
12	SN 84620 + 84648	282626		
13	11 INCH 5M x 7 1/16 INCH 5M			
14	OCT TUBING HD	321225		
15	2 1/16 INCH 5M FE WKM T-21			
16	GATE VALVE SN 571594	141300		
17	11 INCH x 5 1/2 INCH CIW			
18	CSG SLIPS	173775		
19	7 1/16 INCH 5M x 2 1/16 INCH			
20	5M WKM WBU HGR SPOOL	106275		
21	2 1/16 INCH 5M FE WKM T-21			
22	GATE VLV SN 489393 + 556355	282600		
23	2 1/16 5M FE GT VALVE			
24	NO SER. NO.	141300		
25	2 1/16 INCH 5M FE BEST			
26	POSITIVE CHOKE	99317		
27	RUTHCO-LUFRIN PUMPING			
28	UNIT BASE	199719		
29	TERMAIN 2-12 FT x 20 FT x			
30	400B 839919 TANKS			
31	SN 18300 + 183001	790899		
32	CHEROKEE 10 FT x 15 FT x 210			
33	BRL TANK SN AC10210T-41	336240		
34	KEN WIND-ONE-30 INCH x			
35	10 FT x 125 LB VERT			
36	3-PHASE SEP-RECORD	312723		
37	2 1/16 INCH 5M FE BEST			
38	POSITIVE CHOKE COND C	<99317>		
39	2 1/16 INCH 5M FE T-21 GATE			
40	VALVE SN 489393-1,			
41	566353-1, + 26C171 COND C	<423900>		
42	Total Page 1	3356038		
43				
44				



45-804 Eye-Ease
45-904 20/20 Buff
Made in USA

Schedule B
Page 2

	1	2	3	4
			Amount	
1	Balance Forward		3356038	1
2				2
3	7 1/16 INCH x 2 3/8 WRAP			3
4	AROUND COND C		<54825>	4
5	7 1/16 INCH 5M x 2 1/16 INCH			5
6	5M WBU HGR SPOOL COND C		<106275>	6
7	2 9/16 INCH 5M CIW STD FEE		74175	7
8	7 1/16 INCH x 2 7/8 INCH			8
9	WRAP- AROUND COND B		54825	9
10	7 1/16 INCH 5M x 2 9/16 INCH			10
11	5M CIW HB HGR SPOOL COND B		107550	11
12	2 9/16 INCH 5M FE T-21 GT			12
13	VLV SN 117862, 120018, Y			13
14	011983 COND B		529650	14
15	2 1/16 INCH 5M FE T-21 GATE			15
16	VLV SN 120096, 116462			16
17	COND B		282600	17
18	2 1/16 INCH 5M FE OCT N-60			18
19	ADJUSTABLE CHOKE COND B		99975	19
20	Installation		1342670	20
21	Line Pipe		208922	21
22	Non Controllable Surface Equip		2167596	22
23	Total		8062901	23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
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43				43
44				44