

December 13, 1996

State of New Mexico Oil Conservation Division 2040 S. Pacheco Street Santa Fe, NM 87505-5472

RE: Illinois Camp Prospect Oil Conservation Division Case No. 11657 Application of InterCoast Oil and Gas Company for Compulsory Pooling Eddy County, New Mexico

Gentlemen:

Enclosed please find InterCoast Oil and Gas Company's mailing regarding the referenced prospect and Oil and Conservation Division Case. This AFE is now being provided to you showing the actual well costs for the drilling and completion of the subject well.

Very truly yours,

INTERCOAST OIL AND GAS COMPANY

Carol Droke

Carol Drake Land Secretary

/cd

Enclosures

InterCoast Oil and Gas Company 7130 South Lewis Avenue Suite 700 Tulsa, Oklahoma 74136 918 488-8283 Telephone 918 488-8182 Fax



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InterCoast 0.4 and Gas Company 7130 South Lewis Avenue Suite 700 Tulsa, Oklahoma - 74136 916 456 8083 To Echono 916 456 5152 Fax

December 5, 1996

Writers Direct Number (918) 491-4105

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Wendell W. Iverson, Trustee of: S.J.I, Jr. 1990 Trust, P.I.P 1990 Trust and W.W.I 1990 Trust P.O. Box 10508 Midland, TX 79702

Re: Illinois Camp Prospect Oil Conservation Division Case No. 11657 Application of InterCoast Oil and Gas Company for Compulsory Pooling Eddy County, New Mexico

Dear Mr. Iverson:

Pursuant to State of New Mexico, Oil Conservation Division Order No. R-10716 issued November 21, 1996, in Medallion's compulsory pooling, case No. 11657, attached please find InterCoast Oil and Gas Company's (formerly named Medallion Production Company) AFE dated October 1, 1996, provided as an itemized schedule of <u>actual</u> well costs for the drilling and completion of the subject well.

This same AFE has being provided to the State of New Mexico, Oil Conservation Division by copy of this letter.

If there are any questions, you may reach me at the above number.

Sincerely,

INTERCOAST OIL AND GAS COMPANY

D.R. Deffenbaugh, CPL

Landman

DRD:cad

Enclosure

cc: State of New Mexico Oil Conservation Division



InterCoast Oil and Gas Company 7130 South Lewis Avenue Suite 700 Tulsa: Oklahoma: 74136 918 488 8283 Tsirbonce 918 488 8182 Fax

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VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Logro Corporation Attention: David Frye P.O. Box 261324 Plano, TX 75026-1324

Re: Illinois Camp Prospect Oil Conservation Division Case No. 11657 Application of InterCoast Oil and Gas Company for Compulsory Pooling Eddy County, New Mexico

Dear Mr. Frye:

Pursuant to State of New Mexico, Oil Conservation Division Order No. R-10716 issued November 21, 1996, in Medallion's compulsory pooling, case No. 11657, attached please find InterCoast Oil and Gas Company's (formerly named Medallion Production Company) AFE dated October 1, 1996, provided as an itemized schedule of <u>actual</u> well costs for the drilling and completion of the subject well.

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D.R. Deffenbaugh, CPL Landman

DRD:cad

Enclosure

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cc: State of New Mexico Oil Conservation Division

An InterCoast Energy Company



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December 5, 1996

Writers Direct Number (918) 491-4105

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Louis Dreyfus Natural Gas Co. Attention: Rusty Waters 1400 Quail Springs Pkwy, Ste. 600 Oklahoma City, OK 73134-2600

Re: Illinois Camp Prospect Oil Conservation Division Case No. 11657 Application of InterCoast Oil and Gas Company for Compulsory Pooling Eddy County, New Mexico

Dear Mr. Waters:

Pursuant to State of New Mexico, Oil Conservation Division Order No. R-10716 issued November 21, 1996, in Medallion's compulsory pooling, case No. 11657, attached please find InterCoast Oil and Gas Company's (formerly named Medallion Production Company) AFE dated October 1, 1996, provided as an itemized schedule of <u>actual</u> well costs for the drilling and completion of the subject well.

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Sincerely,

INTERCOAST OIL AND GAS COMPANY

D.R. Deffenbaugh, CPL Landman

DRD:cad

Enclosure

cc: State of New Mexico Oil Conservation Division

An InterCoast Energy Company



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December 5, 1996

Writers Direct Number (918) 491-4105

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Marathon Oil Co. Attention: Randal Wilson P.O. Box 552 Midland, TX 79702

Re: Illinois Camp Prospect Oil Conservation Division Case No. 11657 Application of InterCoast Oil and Gas Company for Compulsory Pooling Eddy County, New Mexico

Dear Mr. Wilson

Pursuant to State of New Mexico, Oil Conservation Division Order No. R-10716 issued November 21, 1996, in Medallion's compulsory pooling, case No. 11657, attached please find InterCoast Oil and Gas Company's (formerly named Medallion Production Company) AFE dated October 1, 1996, provided as an itemized schedule of <u>actual</u> well costs for the drilling and completion of the subject well.

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Sincerely,

INTERCOAST OIL AND GAS COMPANY

D.R. Deffenbaugh, CPL Landman

DRD:cad

Enclosure

cc: State of New Mexico Oil Conservation Division



InterCoast Oil and Gas Company 7130 South Lewis Avenue Suite 700 Tulsa, Oklahoma 74136 918 488-8283 Talephone 916 488 8182 Fax

December 5, 1996

Writers Direct Number (918) 491-4105

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Yates Petroleum Corp. Attention: Robert Bullock 105 S. Fourth Street Artesia, NM 88210

Re: Illinois Camp Prospect Oil Conservation Division Case No. 11657 Application of InterCoast Oil and Gas Company for Compulsory Pooling Eddy County, New Mexico

Dear Mr. Bullock:

Pursuant to State of New Mexico, Oil Conservation Division Order No. R-10716 issued November 21, 1996, in Medallion's compulsory pooling, case No. 11657, attached please find InterCoast Oil and Gas Company's (formerly named Medallion Production Company) AFE dated October 1, 1996, provided as an itemized schedule of <u>actual</u> well costs for the drilling and completion of the subject well.

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Sincerely,

INTERCOAST OIL AND GAS COMPANY

D.R. Deffenbaugh, CPL Landman

DRD:cad

Enclosure

cc: State of New Mexico Oil Conservation Division

An InterCoast Energy Company



InterCoast Oil and Gas Compan, 7130 South Lewis Avenue Suite 700 Tuisa, Oklahoma 74136 919 498-8083 Telephone 919 498 8182 Fax

December 5, 1996

Writers Direct Number (918) 491-4105

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Atlantic Richfield Co. Attention: Lee Scarborough P.O. Box 1610 Midland, TX 79702

Re: Illinois Camp Prospect Oil Conservation Division Case No. 11657 Application of InterCoast Oil and Gas Company for Compulsory Pooling Eddy County, New Mexico

Dear Mr. Scarborough:

Pursuant to State of New Mexico, Oil Conservation Division Order No. R-10716 issued November 21, 1996, in Medallion's compulsory pooling, case No. 11657, attached please find InterCoast Oil and Gas Company's (formerly named Medallion Production Company) AFE dated October 1, 1996, provided as an itemized schedule of <u>actual</u> well costs for the drilling and completion of the subject well.

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Sincerely,

INTERCOAST OIL AND GAS COMPANY

D.R. Deffenbaugh, CPL Landman

DRD:cad

Enclosure

cc: State of New Mexico Oil Conservation Division

INTERCOAST OIL AND CARS COMPANY

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AUTHORIZATION FOR EXPENDITURES

Prospect	Illinois Camp					Date 10	0/1/96			
ease	To Be Determined		Well No.	1	1	AFE No.			···	
ocation	1980' FSL-1650' FWL		Section	21		Тмр	185	Range	28E	
ield	Atoka Morrow		County	Eddy		State		New Mexico		
Vell TD	10,650'		Prim. Obj.	Morrow		Sec. Obj.				
		Before	After					Before	After	
		Csg Point	Csg Point	Total				Csg Point	Csg Point	Total
NTANGIBL	E COSTS	BCP-820	ACP-840		TA!	NGIBLE COSTS		BCP-830	ACP-850	
	Damage Payment	4,500				Cattle Guards & Fencing		0	0	0
02 Location (17,500	1,500	19,000	0.02	Csg: Cond.		0	<u> </u>	C
03 Contracted		0	0			Csg: Surface		6,500	<u>X</u>	6,50
and the second s	g: MI, RU, RD, MO	0	0	<u> </u>		400' 13-3/8" 48# F	1-40			
05 Rotary Ri		11,000	11,000			Csg: Intermediate 2700' 9-5/8" 36	4	33,500	<u> </u>	33,50
06 Rotary Rij 07 Fuel	g: Footage	197,500	0	197,500					56,000	5 (000
08 Drilling B		2,000	0	2,000		Csg: Production 4-1/2" @ 11100'		X	50,000	56,000
09 Drilling F		45,000	1,000			Float Equip, Centrizrs, et			2,000	2,000
10 Mud Disp		3,000	X			Well Head		8,800	11,500	20,300
11 Drill Stem		4,000	<u>x</u>			Tubing	· · ·	x	25,600	25,600
the second se	d Cementing Service	18,000	12,000	30,000		2-3/8", 4.7#, N-80		· · · · · ·		
13 Casing Cr	ew, Equipment	3,500	3,500	7,000	0.09	Pump Unit		X	0	0
14 Logging:	Open Hole	9,500	X	9,500	0.10	Motor/Engine		X	0	0
15 Completio		X	15,000	and the second s		Rods & Pump		<u>x</u>	0	0
16 Stimulatio		X	75,000			Pkr & Sub-surface Equip		X	10,000	10,000
	iping Services	0	3,500		-	Tanks		X	6,000	6,000
18 Log & Per 19 Rentals	t Cased Hole	X	8,000	مسجع مشد الما المالينيني	the second second second	Separator/Production Uni		X	8,000 8,000	8,000
20 Water/Wa	tor Uguline	5,000	5,000	and the second s		Heater Treater/Dehydrato Fittings & Small Pipe	<u></u>	X X	12,500	8,000
21 Hauling/F	a la colore especial este anoma este anoma este a	0	6,000			Other Equipment			12,500	12,500
22 Tubular In		1,500	2,500			Installation Costs		X	12,500	12,500
23 Well Testi		1,500	1,000			Miscellaneous		<u>A</u>		12,500
24 Labor: Co		1,500	2,500			Contingency				
	Geologist/Engincer	2,500	0	2,500			ubtota	\$48,800	\$152,100	\$200,900
26 Overhead	······································	3,700	1,000	4,700	-					
27 Profession	al Services	17,500	6,000	23,500)	Pipeliae			<u>PL-880</u>	
28 Insurance		1,700	0			Line Pipe		X	25,000	25,000
29 Miscelland	Contract of the second	14,000	7,550			Metering Equipment		_ X	0	
30 Contingen		0	0			Meter Sta. Valves, Fitting		x	0	
31 Coiled Tu	* and the second sec	0	3,500	3,500		-	ubtota	•••	\$25,000	\$25.000
32 Packer Re		X			101	AL TANGIBLE COST	5	\$48,800	\$177,100	\$225,900
	Subtota	\$ 374,900	\$166,550	\$541,450				£433 700	£343 (60	£2(7.250
. .	Pipeline		<u>PL-880</u>		101	TAL WELL COSTS		\$423,700	\$343,650	\$767,350
01 Tapping F		X			τ	Wall Cost to Casina Del	1			CA33 700
D2 PurchasedD3 Damage P	Right of Way	X				I Well Cost to Casing Poi ging Cost	11			\$423,700 \$15,000
	ay Acquisition	x				I Dry & Abandonment Co	set			\$438,700
05 Permits	ay requisition	x				Cost Through Evaluation		ne of Interest		\$685,350
06 Freight		<u>x</u>			-	ared By:	20	LCF/TLR		4000,000
	er Sta. Construction	x				nated Spud Date				
08 Surveying	A second s	X			~ ~~~~					
· · · ·	struction Sup.	x			Inter	Coast WIO %				
10 Misc. and	Contingency	x			Inter	Coast Net Expenditure			~	\$0
	Subtota	4			Supp	lement No.				
OTAL INTA	NGIBLE COSTS	\$374,900	\$166,550	\$541,450		inal AFE Amount				
						unt This Supplement				
					Revis	ed AFE Amount				
NTERCOAST OIL AND GAS COMPANY APPROVED					WORKING INTEREST OWNER APPROVED					
NTERCOAS	I OIL AND GAS COMP.	ANI APPKUV	CD .		110	ALIO INTEREST OF				
NTERCOAS by:LLF	I OIL AND GAS COMP.	Date:	ED			pany Name:				

Name:

Date:

By: