



JAN 25 1999

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

915/683-3092 • P. O. Box 10369 • MIDLAND, TX 79702

January 20, 1999

State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: CASE NO. 12029
Order No. R-11043
Funk 49 #1 Well
1,650' FSL & 1,080' FWL
Section 33, T-16-S, R-26-E,
Eddy County, New Mexico

Ladies and Gentlemen:

Pursuant to the above captioned Order No. R-11043, please find attached an itemized schedule of actual well costs for the above captioned Funk 49 #1 Well. By copy of this letter, each known non-consenting working interest owner is being provided a copy of said schedule.

Sincerely,

Gary L. Winter, CPL
District Landman

cc/attachment: David H. Arrington
214 West Texas Avenue, Suite 400
Midland, Texas 79701

Ann D. Allison &
Estate of Edith C. Wheeler, Deceased
P.O. Box 64035
Lubbock, Texas 79464

Micheal H. Moore
14850 Oaks North Place
Dallas, Texas 75240

FUNK 49 #1 ACTUAL WELL COSTS

PROPERTY	PROPERTY NAME	JIB		COST
		CATEGORY	CATEGORY DESCRIPTION	AMOUNT CENTER
300437-01	FUNK 49 #1	2-20	LAND SERVICES	5,489.86 0
		TOTAL --	NONPRODUCING L H C --	5,489.86
		3-10	LANDOWNER BONUS AND FEES	9,100.00 0
		3-20	LAND SERVICES	8,565.35 0
		3-40	GEOLOGICAL/GEOPHYSICAL EXPENSE	6,712.59 0
		TOTAL --	PRODUCING L H C --	24,377.94
		4-10	SURFACE CASING	8,300.38 0
		4-12	INTERMEDIATE CASING	11,664.63 0
		4-30	WELLHEAD EQUIPMENT	2,330.97 0
		TOTAL --	LEASE & WELL EQUIP --	22,295.98
		5-03	SURFACE CASING CEMENT	10,462.20 0
		5-04	INTERMEDIATE CSG CEMENT	10,576.03 0
		5-05	LOCATION & ROAD EXPENSES	10,694.27 0
		5-10	CEMENT SURFACE & FLOAT EQUIP.	1,929.50 0
		5-15	MUD & CHEMICALS	27,589.14 0
		5-20	TRUCKING, HOT SHOTS, FORKLIFT	6,727.73 0
		5-21	ENGINEERING/GEOLOGIC SERVICE	950.62 0
		5-29	DRILLING DAYWORK	32,796.57 0
		5-30	DRILLING (FOOTAGE)	131,069.26 0
		5-33	DRILL STEM TEST	3,445.00 0
		5-35	FUEL, POWER, & WATER	5,006.00 0
		5-37	MUD LOGGING	6,372.20 0
		5-40	SUPERVISION & CONSULTING	81.15 0
		5-57	EQUIP RENTAL & EXPENDABLE	845.00 0
		5-59	WELDING/LABOR/MISC SERVICES	918.83 0
		5-71	OVERHEAD & CONTINGENCIES	3,227.68 0
		TOTAL --	INTANG DEV COSTS --	252,691.18
		6-20	CONTRACT PUMPING & GAUGING	191.43 0
		6-22	FIELD EXPENSE	219.81 0
		6-24	ROUSTABOUT	560.00 0
		6-35	SIGNS	129.30 0
		6-45	LEASE & BATTERY MAINTENANCE	238.30 0
		6-50	FUEL, POWER, & WATER	636.88 0
		6-70	SWD, PIPELINE & TRUCK	1,080.71 0
		6-86	INSURANCE	50.00 0
		6-91	TESTING - LAB & WELL	40.00 0
		TOTAL --	LEASE OP COSTS --	3,146.43
		7-15	PRODUCTION CASING	35,374.41 0
		7-20	PACKERS & PLUGS	313.96 0
		7-25	TUBING	18,414.00 0
		7-30	WELLHEAD EQUIPMENT	577.43 0
		7-37	METERS & GAUGES	500.00 0

FUNK 49 #1 ACTUAL WELL COSTS

PROPERTY	PROPERTY NAME	JIB CATEGORY	CATEGORY DESCRIPTION	COST AMOUNT	CENTER
300437-01	FUNK 49 #1	7-40	TANK BATTERY	8,000.00	0
		7-45	HEATERS & TREATERS	4,000.00	0
		7-50	PUMPING UNIT & ENGINE	199.98	0
		7-55	FLOWLINE, VALVES & CONNECTIONS	9,055.72	0
		7-60	RODS, PUMPS & TUBING ANCHOR	11,654.16	0
			TOTAL COMPLETION - L & W EQUIPMENT	88,089.66	
		8-05	LOCATION & ROAD EXPENSES	2,219.32	0
		8-20	TRUCKING, HOT SHOTS, FORKLIFT	7,318.17	0
		8-28	CASED HOLE LOGGING	11,140.88	0
		8-35	FUEL, POWER & WATER	959.60	0
		8-40	SUPERVISION & CONSULTING	1,486.63	0
		8-42	COMPLETION UNIT	15,955.48	0
		8-47	WIRELINE/DIRECTIONAL SURVEYS	396.09	0
		8-53	PERFORATION	2,816.25	0
		8-57	EQUIP RENTAL & EXPENDABLE	6,443.18	0
		8-59	WELDING/LABOR/MISC. SERVICES	10,716.28	0
		8-62	TOOL RENTALS	555.02	0
		8-70	STIMULATION	2,987.33	0
		8-71	OVERHEAD & CONTINGENCIES	263.35	0
			TOTAL COMPLETION - IDC	63,257.58	
			TOTAL PROPERTY	459,348.63	
			RECAP TOTAL	459,348.63	



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October 5, 1998

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State of New Mexico
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: CASE NO. 12029
Order No. R-11043

Gentlemen:

Pursuant to provision 14 of the above captioned Order No. R-11043, please be advised Costilla Energy, Inc. has entered into voluntary agreement with the following parties:

1. Estate of Parker Wilson, Jr., Deceased
2. Mary J. McWhorter

Therefore, the above named parties are no longer subject to the force pooling order.

Sincerely,

Gary L. Winter, CPL
District Landman