EXHIBIT #4

Summary Of Letters With Attachments Funk 49 #2 Well

N/2 Section 33, T-16-S, R-26-E,

Eddy County, New Mexico

- 1. Costilla Energy, Inc. to Betty Colwell dated July 7, 1998.
- 2. Costilla Energy, Inc. to Betty Colwell dated July 17, 1998.
- 3. Costilla Energy, Inc. to Betty Colwell dated July 30, 1998.
- 4. Costilla Energy, Inc. to Betty Colwell dated August 10, 1998.
- 5. Mike O'Brien to Costilla Energy, Inc. dated August 12, 1998.
- 6. Mike O'Brien to Costilla Energy, Inc. dated August 12, 1998.

MIKE O'BRIEN, CPL

OIL AND GAS PROPERTIES POST OFFICE BOX 1743 MIDLAND, TEXAS 79702 OFF. 915/686-7811 FAX 915/686-7855

August 12, 1998

Costilla Energy, Inc. Attn: Gary Winter P.O. Box 10369 Midland, Texas 79702

Re: Funk 49 # Lease Acquisition Status Report covering Section 33, T-16-S, R-26-E, Eddy County, New Mexico.

Dear Gary:

Reference is made to your second request pertaining to the leasing of Betty Colwells's unleased mineral interests in the above captioned prospect. The following is a short synopsis of the status of my leasing efforts:

On July 7, 1998, I attempted to acquire an Oil and Gas Lease from Betty Colwell who owns an undivided ½ of the minerals in Tract H covering the above lands. However, Mrs. Colwell told me that she was not interested in leasing her interest or even listening to an offer.

On August 10, 1998 you forwarded her another certified letter giving her the option to lease her interest or participate in the drilling of the well. I followed up your letter today with a phone call to see if she had received your letter. She told me she hadn't, but let me know that even when she did, she wouldn't sign the return receipt for it.

I offered again to lease her interest but she reiterated that she was not interested and hung up the phone.

If we need to contact Mrs. Colwell at some future date, her address is 2604 S. Ursila, Monahans, Texas 79756 and her telephone number is 915-943-6537.

Sincerely,

Mike O'Brien, CPL

MIKE O'BRIEN, CPL

OIL AND GAS PROPERTIES POST OFFICE BOX 1743 MIDLAND, TEXAS 79702 OFF. 915/686-7811 FAX 915/686-7855

August 12, 1998

Costilla Energy, Inc. Attn: Gary Winter P.O. Box 10369 Midland, Texas 79702

Re:

Funk 49 # 2 Curative and Lease Acquisition Status Report, The Tony Ray Townsend and Gary Duane Townsend Interests Eddy County, New Mexico.

Dear Gary:

Reference is made to your request pertaining to the status of my efforts to locate the unleased mineral interests of Tony Ray Townsend and Gary Duane Townsend in the above captioned prospect.

I have tried unsuccessfully to locate either one of these mineral interest owners. I searched the records of Eddy County and was able to find out that they both lived in Gladewater, Texas in 1977 as reflected by an Affidavit of Heirship filed in Eddy County by Dwaine Howard. However, the telephone number I have on Gary Townsend has been disconnected. I then contacted several Tony Townsends in Dallas, Texas, without any results. I also tried to contact Dwaine Howard (who filed the Affidavit described above) in Mayhill, New Mexico but his phone had also been disconnected. I called another Townsend in Gladewater but they had no idea who Gary or Tony was. I also contacted Roy Ingram in Artesia, New Mexico who has a mineral interest in this section, but he didn't know who they were either.

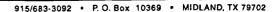
Since it appears that I have come to a standstill on the whereabouts of the Townsends, I am enclosing for your files, several telephone numbers as well as a copy of the Affidavit in case you need them for force pooling purposes.

If I can furnish you with anything else, please do not hesitate to give me a call.

Sincerely,

Mike O'Brien, CPL

Enc.





August 10, 1998

Ms. Betty Colwell 2604 South Ursila Monahans, Texas 79756

Re: Funk 49 #2 Well 1,980' FNL & 1,680' FWL Section 33, T-16-S, R-26-E Eddy County, New Mexico

Dear Ms. Colwell:

With reference to Costilla Energy, Inc.'s previous letters and telephone conversations, please consider the following:

- 1. Lease your mineral interest to Costilla for \$200.00 per net mineral acre, with said lease providing for a 3/16th of 8/8ths royalty and a primary term of one (1) year.
- 2. Lease your mineral interest to Costilla for no bonus consideration, with said lease providing for a 1/4th of 8/8ths royalty and a primary term of one (1) year.
- 3. Participate with Costilla in the drilling of the above captioned well. Please find attached a copy of Costilla's AFE for your signature if you desire to participate. Upon receiving your signed AFE, Costilla will provide you with an Operating Agreement covering the N/2 of the above captioned Section 33.

Your earliest attention to this request will be most appreciated.

Sincerely,

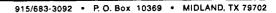
Gary L. Winter, CPL

District Landman

cc: Mike O'Brien CPL P.O. Box 1743 Midland, Texas 79702

Date:	5/21			AUTHORITY	FOR EXPEN	NDITURE					
Lease Na			FUNK 49 # 2			Field Na	me:	WC			
Location	:	Sec. 33	T - 16S, R - 26E		State:	County:	_	Edd	ly		
Objective	e:	Morrow				Depth:	_		8,500	ft.	
	JIB_#:		TANGIBLES:						LING	CO	IPLETION
102	507		Surveyors					\$	1,500	├	
139	508		Insurance		•			\$	2,500		
140	512		Pit Lining					\$	2,850 18,000	\$	2 500
141/338	505		Road & Location					\$	5,000	13	3,500
101 103	502		Damages Cement Services					-	5,000		
103	503		a. Surface Casing Cmt.		400	sxs.		\$	4,800	 	1
105	504		b. Intermediate Casing			SXS.		\$	12,500	-	
306	806		c. Production Casing Ci			sxs.		 -	12,500	\$	17,500
138	511		d. Cmt for P & A					 		 `	
	• • • •		Rig Costs					-		<u> </u>	
109	530		a. Footage	8,500	\$16.00	per ft.		\$	136,000		
110	529		b. Daywork	5	\$5,500	per day		\$	27,500		
311	842		c. Comp Unit:	8	\$1,800	per day				\$	14,400
112	572		d. Mobilization/Demobili	ization (Rig Move)						
335 5	552/852		e. Swabbing Unit								
132	535		f. Fuel & Power								
113/313	557	8.	Equipment Rental & Exp	endable Supplies	3			\$	3,500	\$	1,500
142/337 5	60/862	9.	Tool Rental							\$	1,250
137/336 5	32/832	10.	. Casing Crew							\$	2,125
114	5 15	11.	Drilling mud, Chemicals					\$	18,500		
			. Drilling Water							 	
116	524		a. Water Line Rental								
143	527		b. Water Well								
144/344	535		c. Water Hauled					\$	20,000	\$	3,500
440	500		Wireline & Formation Ev	valuation Services	5			<u> </u>	44.500	,	
118	526		a. Open Hole Logging	15	¢ E00			\$	14,500	 	
119	537		b. Mud Log	15 Analysis	\$500	per day		\$	7,500		
120 121	533 550		c. Drilling Stem Test & Ad. Coring & Analysis	Analysis				" -	4,500		
322	828		e. Cased Hole Logging					 		\$	4,500
323	853		f. Perforating							\$	3,500
145/345	501		g. Gyro Survey					<u> </u>		 * -	3,300
140/040	301	14	. Well Stimulation							 	
326	814		a. Acidizing					 		\$	8,500
327	869		b. Fracturing							 	0,000
	520/820		. Transporation/Trucking/	(Forklift				\$	2,500	\$	3,850
	559/859		. Welding & Misc Service					\$	1,500	s	2,000
	521/821		. Engineering and/or Geo								
	571/871		. Overhead & Contingend	=	10.00%			\$	28,315	\$	6,613
		19	. Supervision					\$	14,000	\$	7,500
146/339	545/845	20	. Bits/Reamers							\$	750
147/340 5	567/867	21	. Contract Labor					\$	2,500	\$	5,000
			TOTAL INTANGIBLE	ES:				\$	327,965	\$	85,988
								r==		1	
AFE#: ,	JIB#:	-	NGIBLES:					DRIL	LING	COL	MPLETION
210	440		Casing	13.375	\$17.25		450	\$	7 762	├	
210 212	410 412		a. Surface b. Intermediat	9.625	\$12.50		450 350	\$	7,763 16,875	┼~	
415	715		c. Production	5.500	\$6.35		500	-	10,073	\$	53,975
	422/722		d. Liner & Hanger	0.000	40.00	٠,		<u> </u>		 •	- 00,570
230	417	,	e. Conductor Casing					<u> </u>		 	
417	725		Tubing	2.875	\$2.75	8	500	一		\$	23,375
218/418 4	430/730		Wellhead					\$	3,000	\$	2,000
419	720	4.	Packer & Downhole flow	controls						\$	12,500
420	750	5.	Pumping unit & Prime m	over							
421	760	6.	Rods, Pump & Tubing A	nchor					····		
222/422 4	49/749	7.	Surface Equipment								
223/423 4	155/755		a. Flowline, valves & co	nnections						\$	8,000
424	748		b. Separation & Treating	g Vessels						\$	12,500
425	740		c. Tankage							\$	12,500
227/427 4	446/746	8.	Installation Costs & Other	er Misc Tangibles	i					\$	9,000
231/429 4	27/727	9.	Compressors (Purchase	:)				<u> </u>	 	ļ	
428	745		. Heaters & Treaters					ļ		\$	7,500
430	752		. Artificial Lift Devices							<u> </u>	
232/431 4	199/799	12.	. Lease & Well Equipmen	nt - Other				L		\$	8,000
			TOTAL TANGIBLES	•				\$	27,638	\$	149,350
			. J.AL IAROBLES	•				-	27,000	<u> </u>	
ESTIMATE	D TOTA	L COSTS:						DRIL	LING	CON	PLETION
1. Drilling l								\$	327,965	\$	327,965
2. Drilling 1	Tangibles	3						\$	27,638	\$	27,638
3. Complet		-								\$	85,988
4. Complet										\$	149,350
5. Plugging									355 603		E00.040

COMPANY PARTNER: MI DARTNER





July 30, 1998

Ms. Betty Colwell 2604 South Ursila Monahans, Texas 79756

Re: Funk 49 #2 Well 1,980' FNL & 1,680' FWL Section 33, T-16-S, R-26-E Eddy County, New Mexico

Dear Ms. Colwell:

With reference to Costilla Energy, Inc.'s previous letters and telephone conversations, Costilla desires flange up the above captioned Funk 49 #2 and proceed with drilling operations. Therefore, please consider the following:

- 1. Lease your mineral interest to Costilla for \$200.00 per net mineral acre, with said lease providing for a 3/16th of 8/8ths royalty and a primary term of two (2) year.
- 2. Lease your mineral interest to Costilla for no bonus consideration, with said lease providing for a 1/4th of 8/8ths royalty and a primary term of two (2) year.
- 3. Participate with Costilla in the drilling of the above captioned well. Please find attached a copy of Costilla's AFE for your signature if you desire to participate. Upon receiving your signed AFE, Costilla will provide you with an Operating Agreement covering the N/2 of the above captioned Section 33.

Your earliest attention to this request will be most appreciated.

Sincerely,

Gary L. Winter, CPL District Landman

San L. 2

Cc: Mike O'Brien CPL P.O. Box 1743

Midland, Texas 79702

COSTILLA ENERGY ,INC.

Date:	5/21			AUTHORITY	FOR EXPEN	NDITURE				
		Mall No	EUNIZ 40 # 2			Field Name	· \\(C			
		Well No.			Ct-t-:					
Location			<u>, T - 16S, R - 26E</u>		State:	County:	Edd	<u> </u>		
Objectiv	re:	Morrow				Depth:		8,500	π	
							(DDII	LINC	CON	DI CTION
AFE#:	JIB#:		TANGIBLES:				\$	LING 1,500	CUN	PLETION
102	507		Surveyors				\$	2,500		
139	508		Insurance		•		\$	2,850		
140	512		Pit Lining				\$	18,000	\$	3,500
141/338	505		Road & Location				<u> </u>		3	3,500
101	502		Damages				\$	5,000	 	
103		6.	Cement Services				<u> </u>	4.000		
104	503		a. Surface Casing Cmt.			SXS.	\$	4,800		
105	504		b. Intermediate Casing			SXS.	\$	12,500	_	
306	806		c. Production Casing C	mt.	750	SXS.	<u> </u>		\$	17,500
138	511		d. Cmt for P & A				_			
		7.	Rig Costs				-	100.000		
109	530		a. Footage	8,500	\$16.00	•	\$	136,000		
110	529		b. Daywork	5		per day	\$	27,500		
311	842		c. Comp Unit:	8		per day			\$	14,400
112	572		d. Mobilization/Demobili	ization (Rig Move))		<u> </u>			
335	552/852		e. Swabbing Unit							
132	535		f. Fuel & Power							
113/313	557	8.	Equipment Rental & Exp	endable Supplie	s		\$	3,500	\$	1,500
142/337	560/862	9.	Tool Rental						\$	1,250
137/336	532/832	10	. Casing Crew						\$	2,125
114	515	11	. Drilling mud, Chemicals				\$	18,500		
		12	. Drilling Water				<u></u>		L	
116	524		a. Water Line Rental				L.			
143	527		b. Water Well							
144/344	535		c. Water Hauled				\$	20,000	\$	3,500
		13	. Wireline & Formation E	valuation Service	s				,	
118	526		a. Open Hole Logging				\$	14,500	<u> </u>	
119	537		b. Mud Log	15	\$500	per day	\$	7,500		
120	533		c. Drilling Stem Test & /	Analysis			\$	4,500		
121	550		d. Coring & Analysis							
322	828		e. Cased Hole Logging						\$	4,500
323	853		f. Perforating						\$	3,500
145/345	501		g. Gyro Survey							
		14	. Well Stimulation							
326	814		a. Acidizing				\vdash		\$	8,500
327	869		b. Fracturing							
128/328	520/820	15	. Transporation/Trucking	/Forklift			\$	2,500	\$	3,850
129/329	559/859		. Welding & Misc Service				\$	1,500	\$	2,000
130/330	521/821		. Engineering and/or Geo							
131/331	571/871		. Overhead & Contingen	•	10.00%		\$	28,315	\$	6,613
			. Supervision				\$	14,000	\$	7,500
146/339	545/845		. Bits/Reamers						\$	750
147/340	567/867		. Contract Labor				\$	2,500	\$	5,000
									•	··
			TOTAL INTANGIBLE	ES:			\$	327,965	\$	85,988
AFE #:	JIB#:	TA	ANGIBLES:				DRI	LING	CON	PLETION
			Casing							-
210	410		a. Surface	13.375	\$17.25	450	\$	7,763	\Box	
212	412		b. Intermediat	9.625	\$12.50	1350	\$	16,875		
415	715		c. Production	5.500	\$6.35	8,500			\$	53,975
216/416	422/722		d. Liner & Hanger						П	
230	417		e. Conductor Casing							
417	725	2.	Tubing	2.875	\$2.75	8500			\$	23,375
218/418	430/730		Wellhead				\$	3,000	\$	2,000
419	720	4.	Packer & Downhole flow	v controls					\$	12,500
420	750	5.	Pumping unit & Prime m	nover						
421	760		Rods, Pump & Tubing A							
222/422			Surface Equipment						1	
223/423	455/755		a. Flowline, valves & co	nnections					\$	8,000
424	748		b. Separation & Treatin						\$	12,500
425	740		c. Tankage	•					\$	12,500
227/427	446/746	8.	Installation Costs & Othe	er Misc Tangible:	S				\$	9,000
	427/727		Compressors (Purchase	-						
428	745		. Heaters & Treaters	•					\$	7,500
430	752		. Artificial Lift Devices		•				 	
232/431			. Lease & Well Equipmer	nt - Other		•	-		\$	8,000
	.55,755	12						07.000	<u> </u>	
			TOTAL TANGIBLES) <u>;</u>	•		\$	27,638	\$	149,350
ESTIMAT	ED TOTA	L COSTS:						LING		PLETION
_	Intangible						\$	327,965	\$	327,965
_	Tangibles						\$	27,638	\$	27,638
3. Comple	etion Intan	gibles					<u> </u>		\$	85,988
	etion Tang						<u> </u>		\$	149,350
	ng Expens						ــــا		<u> </u>	
TOTAL W	ELL COS	TS:					\$	355,603	\$	590,940
							_	_		
COMPAN	Y PARTN	ER:					DAT	E:		

W.I. PARTNER:



July 17, 1998

Mineral Interest Address List Attached:

Re: Funk 49 #2 Well 1,980' FNL & 1,680' FWL Section 33, T-16-S, R-26-E Eddy County, New Mexico

Ladies and Gentlemen:

With reference to Costilla Energy, Inc.'s previous letters and telephone conversations, Costilla desires flange up the above captioned Funk 49 #2 and proceed with drilling operations. Therefore, please consider the following:

- 1. Lease your mineral interest to Costilla for \$150.00 per net mineral acre, with said lease providing for a 3/16th of 8/8ths royalty and a primary term of two (2) year.
- 2. Lease your mineral interest to Costilla for no bonus consideration, with said lease providing for a 1/4th of 8/8ths royalty and a primary term of two (2) year.
- 3. Participate with Costilla in the drilling of the above captioned well. Please find attached a copy of Costilla's AFE for your signature if you desire to participate. Upon receiving your signed AFE, Costilla will provide you with an Operating Agreement covering the N/2 of the above captioned Section 33.

Your earliest attention to this request will be most appreciated.

Sincerely,

Gary L. Winter, CPL District Landman

Hay L. Win

Funk 49 #2 Mineral Interest Address List

Charles M. and Elvira R. Campbell 117 East Compress Road Artesia, New Mexico 88210

Betty Colwell 2604 South Ursila Monahans, Texas 79756



COSTILLA ENERGY ,INC.

Date: 5/21

W.I. PARTNER:

AUTHORITY FOR EXPENDITURE

Lease Name 8	& Well No.	FUNK 49 # 2			Field Name	: WC			
Location:	Sec. 33	, T - 16S, R - 26E		State:	County:	Edd	у		
Objective:	Morrow				Depth:		8,500	ft.	
						E=-	=		
AFE#: JIB#:		TANGIBLES:				DRIL		CON	MPLETION
		Surveyors				\$	1,500 2,500		
		Insurance	•			\$	2,850		
		Pit Lining Road & Location				\$	18,000	\$	3,500
		Damages				\$	5,000	Ψ	3,300
101 50 103		Cement Services				-	3,000		
	03	a. Surface Casing Cmt.		400	SXS.	\$	4,800		
	04	b. Intermediate Casing Cmt.			SXS.	\$	12,500		
	06	c. Production Casing Cmt.			SXS.	-	12,000	\$	17,500
	11	d. Cmt for P & A			SAS.			<u> </u>	17,000
100 0		Rig Costs							
109 5	30	a. Footage	8,500	\$16.00	per ft.	\$	136,000		
	29	b. Daywork	5		per day	\$	27,500		
	42	c. Comp Unit:	8		per day			\$	14,400
	72	d. Mobilization/Demobilization (F	Rig Move						
335 552/85	2	e. Swabbing Unit	•	•					
132 5	35	f. Fuel & Power							
113/313 5	57 8.	Equipment Rental & Expendable	Supplies	5		\$	3,500	\$	1,500
142/337 560/86		Tool Rental						\$	1,250
137/336 532/83	2 10	. Casing Crew						\$	2,125
114 5	15 11	. Drilling mud, Chemicals				\$	18,500		
	12	. Drilling Water							
116 5.	24	a. Water Line Rental							
143 5	27	b. Water Well							74
144/344 5	35	c. Water Hauled				\$	20,000	\$	3,500
	13	. Wireline & Formation Evaluation	Services	s					
118 5	26	a. Open Hole Logging				\$	14,500		
119 5	37	b. Mud Log	15	\$500	per day	\$	7,500		
120 5	33	c. Drilling Stem Test & Analysis				\$	4,500		
121 5	50	d. Coring & Analysis							<u> </u>
322 8	28	e. Cased Hole Logging						\$	4,500
323 8	53	f. Perforating						\$	3,500
145/345 5	01	g. Gyro Survey							
	14	. Well Stimulation							
326 8	14	a. Acidizing						\$	8,500
327 8	69	b. Fracturing							
128/328 520/82	0 15	. Transporation/Trucking/Forklift				\$	2,500	\$	3,850
129/329 559/85		. Welding & Misc Services				\$	1,500	\$	2,000
130/330 521/82		. Engineering and/or Geological S	ervice					Ť	
131/331 571/87		. Overhead & Contingencies		10.00%		\$	28,315	\$	6,613
		. Supervision				\$	14,000	\$	7,500
146/339 545/84		. Bits/Reamers						\$	750
147/340 567/86		. Contract Labor				\$	2,500	\$	5,000
						L			
		TOTAL INTANGIBLES:				\$	327,965	\$	85,988
AFE#: JIB#:	IA	NGIBLES:				DRIL	LING	CO	IPLETION
	1.	Casing							
210 4	10	a. Surface	13.375	\$17.25	450	\$	7,763		
212 4	12	b. Intermediat	9.625	\$12.50	1350	\$	16,875		
415 7	15	c. Production	5,500	\$6.35	8,500			\$\$	53,975
216/416 422/72	2	d. Liner & Hanger							
230 4	17	e. Conductor Casing							
417 7	25 2.	Tubing	2.875	\$2.75	8500			\$	23,375
218/418 430/73	0 3.	Wellhead				\$	3,000	\$	2,000
419 7	20 4.	Packer & Downhole flow controls						\$	12,500
420 7	50 5.	Pumping unit & Prime mover				L			
421 7	60 6.	Rods, Pump & Tubing Anchor							
222/422 449/74	9 7.	Surface Equipment							
223/423 455/75	5	a. Flowline, valves & connection	S					\$	8,000
424 7	48	b. Separation & Treating Vessel	s					\$	12,500
425 7	40	c. Tankage						\$	12,500
227/427 446/74	6 8.	Installation Costs & Other Misc T	angibles	i				\$	9,000
231/429 427/72	7 9.	Compressors (Purchase)							
428 7	45 10	. Heaters & Treaters						\$	7,500
430 7	52 11	. Artificial Lift Devices				L			
232/431 499/79	9 12	l. Lease & Well Equipment - Other	r			L		\$	8,000
		TOTAL TANGIBLES:				\$	27,638	\$	149,350
ESTIMATED TO	TAL COSTS:					DRIL	LING	CO	MPLETION
1. Drilling Intangi	bles					\$	327,965	\$	327,965
2. Drilling Tangib	les					\$	27,638	\$	27,638
3. Completion In	tangibles							\$	85,988
4. Completion Ta	angibles							\$	149,350
5. Plugging Expe	ense								
TOTAL WELL C	OSTS:					\$	355,603	\$	590,940
COMPANY PART	TNER:				_	DATE	Ξ:		

P.O. BOX 10369 • MIDLAND, TX 79702

PARS ECTOR COUNT

Betty Colwell

2604 South Ursila

Monahans, Texas 79756

Diversity For Better Kramme

LOS Charles to Code



July 7, 1998

Ms. Betty Colwell 2604 South Ursila Monahans, Texas 79756

Re: Funk 49 #2 Well 1,980' FNL & 1,680' FWL Section 33, T-16-S, R-26-E Eddy County, New Mexico

Dear Ms.Colwell:

With reference to your telephone conversation with Mr. Mike O'Brien on the behalf of Costilla Energy, Inc., Costilla as operator, proposes to drill the above captioned Funk 49 #2 Well to a depth sufficient to adequately test the Morrow formation within the spacing unit consisting of the N/2 of the above captioned Section 33, total estimated depth being 8,500'. The Eddy County records indicate that you are the owner of mineral interest. In this regard, please find attached two (2) AFEs covering this test. Please execute and return one (1) copy should you desire to participate. Upon receipt of your decision to participate, Costilla will forward an Operating Agreement for your approval and execution.

In the event you do not desire to participate in this test, Costilla requests that you lease your interest to Costilla for \$100.00 per net mineral acre, with said lease providing for a 3/16ths of 8/8ths royalty and a primary term of three (3) years.

Your earliest attention to this request will be most appreciated.

Sincerely,

Gary L. Winter, CPL District Landman

COSTILLA ENERGY ,INC.

COMPANY PARTNER:

Date:	5/21			AUTHORITY	FOR EXPEN	IDITURE				
Lease N		Well No.	FUNK 49 # 2			Field Name	: WC			
Location			, T - 16S, R - 26E		State:	County:	Edd	iy		
Objectiv		Morrow				Depth:		8,500	ft.	
•						·				
AFE#:	JIB#:		TANGIBLES:					LING	CO	MPLETION
102			Surveyors				\$	1,500 2,500	├	
139 140	508		Insurance Pit Lining				\$	2,300	├	
141/338	512 505		Road & Location				\$	18,000	s	3,500
101	503		Damages	1			\$	5,000	۳	
103	302		Cement Services				-		 	
104	503		a. Surface Casing Cmt.		400	sxs.	\$	4,800		
105	504		b. Intermediate Casing C	mt.	800	sxs.	\$	12,500		
306	806		c. Production Casing Cm	it.	750	sxs.			\$	17,500
138	511		d. Cmt for P & A							
		7.	Rig Costs							
109	530		a. Footage	8,500	\$16,00	per ft.	\$	136,000	<u> </u>	
110	529		b. Daywork	5	\$5,500	per day	\$	27,500	<u> </u>	
311	842		c. Comp Unit:	8	\$1,800	per day	<u></u>		\$	14,400
112	572		d. Mobilization/Demobiliz	ation (Rig Move	·)		<u> </u>		ļ	
	552/852		e. Swabbing Unit				 			
132	535	_	f. Fuel & Power				<u> </u>			4 500
113/313	557		Equipment Rental & Expe	endable Supplies	5		\$	3,500	\$	1,500
	560/862		Tool Rental				 -		\$	1,250 2,125
	532/832		. Casing Crew				\$	18 500	-	2,125
114	515		Drilling mud, Chemicals				1-	18,500		
116	524	12	. Drilling Water a. Water Line Rental				-		-	
115	524 527		a. vvater Line Rental b. Water Well				-	-	<u> </u>	
144/344	527 535		c. Water Hauled				\$	20,000	\$	3,500
174/374	333	13	. Wireline & Formation Eva	aluation Service	•		<u> </u>	20,000	Ψ	0,500
118	526	15	a. Open Hole Logging	aldation Service.	3		\$	14,500		
119	537		b. Mud Log	15	\$500	per day	\$	7,500		
120	533		c. Drilling Stem Test & Ar		•	, ,	\$	4,500		
121	550		d. Coring & Analysis	•						
322	828		e. Cased Hole Logging						\$	4,500
323	853		f. Perforating						\$	3,500
145/345	501		g. Gyro Survey							
		14	. Well Stimulation							
326	814		a. Acidizing						\$	8,500
327	869		b. Fracturing			·			<u> </u>	
128/328	520/820		Transporation/Trucking/F				\$	2,500	\$	3,850
129/329	559/859		Welding & Misc Services				\$	1,500	\$	2,000
130/330	521/821		7. Engineering and/or Geol	_			<u> </u>		↓ _	
131/331	571/871		Overhead & Contingenci	ies	10.00%		\$	28,315	\$	6,613
			3. Supervision				\$	14,000	\$	7,500
146/339	545/845). Bits/Reamers					0.500	\$	750
147/340	567/867	21	I. Contract Labor				\$	2,500	\$	5,000
			TOTAL INTANGIBLE	S:			\$	327,965	\$	85,988
				.			<u> </u>	021,000		00,000
AFE#:	JIB#:	TA	ANGIBLES:				DRII	LING	Cor	MPLETION
``			Casing				-		1	
210	410	1	a. Surface	13.375	\$17.25	450	\$	7,763		
212	412	!	b. Intermediat	9.625	\$12.50	1350	\$	16,875	Ť .	
415	715		c. Production	5.500	\$6.35	8,500			\$	53,975
	422/722		d. Liner & Hanger				<u> </u>			
230	417		e. Conductor Casing						<u> </u>	
417	725		Tubing	2.875	\$2.75	8500	 		\$	23,375
218/418			Wellhead				\$	3,000	\$	2,000
419	720		Packer & Downhole flow				<u> </u>		\$	12,500
420	750		Pumping unit & Prime mo						 	
421	760		Rods, Pump & Tubing An	cnor			<u> </u>			
222/422		7.	Surface Equipment						-	
223/423 424	748		a. Flowline, valves & con						\$	8,000
425	740		b. Separation & Treatingc. Tankage	vesseis			-		\$	12,500
227/427			Installation Costs & Other	Misc Tangihles					\$	12,500 9,000
	427/727		Compressors (Purchase)	Misc rangibles	•				- P	5,000
428	745		. Heaters & Treaters						\$	7,500
430	752		. Artificial Lift Devices						 	1,000
232/431			. Lease & Well Equipment	- Other					\$	8,000
							L			
			TOTAL TANGIBLES:				\$	27,638	\$	149,350
		L COSTS:					DRIL	LING	COM	PLETION
	Intangible						\$	327,965	\$	327,965
_	Tangibles						\$	27,638	\$	27,638
	etion Intan	-					<u></u>		\$	85,988
	etion Tang						-		\$	149,350
	ng Expens						لِ	055	<u> </u>	
IUIALW	ELL COS	13:					<u>\$</u>	355,603	\$	590,940

on the reverse side?	SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4P and 4b. Print your name and ass on the reverse of this form so that we card to you. Attach this form to the front of the mailpiece, or on the back if space permit. Write "Return Receipt Requested" on the mailpiece below the article. The Return Receipt will show to whom the article was delivered and delivered.	e does not	Palso wish to receive the following services (for an ex. e): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.						
completed c	3. Article Addressed to:	4a. Article N	Umber /	30 869	n Rec				
귤	Ms. Betty Colwell	4b. Service	Type						
S	2604 S. Ursila	☐ Registere	• •	[] Certified	Retui				
	Monahans, TX 79756	☐ Express		□ Insured	using				
ADDRESS		· /	ceipt for Merchandis	e COD	S				
		7. Date of D			Ę.				
7	,		,		you				
RETURN	1. Received By: (Print Name)	8. Addresse and fee is	e's Address (Only paid)	if requested	Thank				
your	6 Signature» (Addressee or Agent)				•				
S	PS Form 3817, December 1994	<u> </u>	Domestic Re	turn Receipt	ì				
				•					