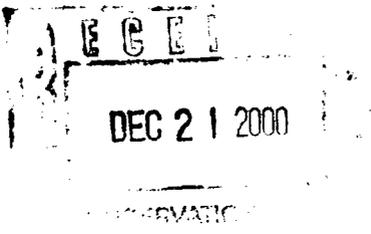


MA
12-21-00



PRAIRIE SUN, INC.
P. O. Box 8280
Roswell, New Mexico 88201
505/626-4292

19 December 2000

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

New Mexico Energy, Minerals
and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Attention: Mr. Mark Ashley, Division Hearing Examiner

Re: Forced Pooling Application, Case No. 12,236
Commission Order No. R-11292

Gentlemen:

Please find enclosed an itemized schedule of actual well costs incurred in the reentry of the Laguna Grande No. 1 well in the E/2 of Section 28, Township 23 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. Production in commercial quantities of approximately 200 MCFD has been obtained and is being sold into the pipeline.

Yours very truly,

PRAIRIE SUN, INC.

H. E. Lee, Agent

xc: Exxon Corporation USA (CM-RRR)
28 Kerry Rd.
Midland, Texas 79706

Bureau of Land Management (CM-RRR)
2909 West 2nd Street
Roswell, New Mexico 88201

PRAIRIE SUN, INC.

Laguna Grande Fed. #1
 Sec. 28-T23S-R29E
 Eddy County, New Mexico
 API #30-015-21636
 Pooling Order No. R-11292

=====

ACTUAL WELL COSTS:

TRMN LLC--Lucky Services	Brine & KCL Water	\$7,000.24
Lucky Services	Completion Rig	\$65,579.23
J. S. Ward, Ins.	ProRata of Bond	\$250.00
LCI	Engineering	\$14,377.50
Key Energy Services	Completion Rig	\$1,723.02
I&W	Brine & KCL Water	\$184.85
Wildcat Measurement	Gas Analysis	\$52.88
American Pump Parts Supply	Supplies, guages	\$217.49
Halliburton	10K WL set Pkr	\$8,632.20
API Pipe & Supply	Pipe Dope	\$43.38
Lovington Welding Service	Welder	\$520.99
Two State Equipment, Inc.	Frac Tanks	\$1,113.00
Caprock Pipe & Supply	Prod Tbg	\$35,847.76
I&W	Brine & KCL Water	\$2,868.57
API Pipe & Supply	Pipe Dope	\$25.08
Double D Roustabout Service	Roustabout--Fencing pit	\$549.41
Double D Roustabout Service	Backhoe	\$589.40
Double D Roustabout Service	Backhoe	\$530.46
I&W	Brine & KCL Water	\$183.58
J. S. Ward, Ins.	ProRata of Insur.	\$510.35
Computalog USA	GR/CBL/CCL/Set Pkr	\$9,829.81
Star Tool Co.	Reverse/Rental Equip.	\$108,439.89
Two State Equipment, Inc.	Frac Tanks	\$795.00
Double R Pipe & Supply	2 7/8" Work String	\$39,750.00
Cameron	Wellhead	\$4,911.87
Cameron	Remanufactured Tree	\$11,800.00
Mesquite Services	Backhoe	\$292.36
Mesquite Services	Roustabout Crew	\$156.30
Rye Supply	Fittings & Conn.	\$1,266.86
Rye Supply	Fittings & Conn.	\$70.39
Gandy Corp	Brine & KCL Water	\$2,028.70
Mesquite Services	Roustabout Crew	\$645.85
Pro Well Testing & Wireline	Slickline & Plug	\$1,065.83
Pacific Process	Flowback Manifold, etc	\$2,152.17
Metering & Testing	Portable Test Equip.	\$1,740.38
TRMN LLC--Lucky Services	Brine & KCL Water	\$754.72
Sivalls, Inc.	.5 MMBTU Stack Pack	\$8,100.00
BRF, INC.	Flowback Personnel & Equip.	\$5,280.00
Lee Consulting, Inc.	Wellsite Supervision.	\$10,500.00
Double R Pipe & Supply	Hauling and Forklift	\$2,699.00
Double R Pipe & Supply	Inspection	\$1,940.00
Double R Pipe & Supply	Recuts and repairs on tbg.	\$626.00
Rye Supply	Fittings & Conn.	\$1,509.15
Mesquite Services	Roustabout Crew	\$526.78
Atkins Supply	Fittings & Conn	\$328.65
LSI	Glycol & Filters (Dehy)	\$426.18

=====

\$358,435.28