

Stogner, Michael

From: Stogner, Michael
Sent: Tuesday, December 28, 2004 10:21 AM
To: Jim Bruce (E-mail); William F. Carr (E-mail)
Cc: Davidson, Florene; Brooks, David K; Fesmire, Mark
Subject: Order No. R-12108-C; De Novo Case 13153

Jim,

Per our telephone conversation this morning concerning your letter dated December 15, 2004 objecting to Yates's costs incurred in conducting re-entry operations on the State "X" Well No. 1. It is my understanding this was not a request for hearing at this time, but a requirement to preserve Pride's right, pursuant to the provisions of Order No. R-12108-C, to contest such costs should it become necessary.

I have however prepared the following advertisement should you wish this matter be set for hearing at this time.



13153.reop.doc

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2004 DEC 15 PM 4 02

December 15, 2004

Hand Delivered

Mark Fesmire
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Case No. 13153 (de novo)

Dear Mr. Fesmire:

Pursuant to the order entered herein, Pride Energy Company ("Pride") files the following objections to the cost schedule (copy attached) filed with the Commission by Yates Petroleum Corporation ("Yates"):

General objections: Pride objects to (1) any cost on the cost schedule which will need to be incurred again by Pride when it re-enters the well, and (2) any cost for equipment that is no longer on location. Pride has not visited the wellsite and cannot make that determination from the documents provided to it.

Specific objections:

<u>Vendor</u>	<u>Amount</u>	<u>Reason</u>
Yates Petroleum	\$2781.31	Don't know what supplies are still on location
Yates Petroleum	\$204.24	Don't know what supplies are still on location
Yates Petroleum	\$593.34	Don't know what supplies are still on location
Yates Petroleum	\$81.00	Don't know what supplies are still on location

Dudley Sales	\$845.66	Pit liner - may have to be duplicated
E.L. Farmer	\$803.65	Hauling material - may have to be duplicated
E.L. Farmer	\$1160.25	Hauling material - may have to be duplicated
E.L. Farmer	\$1266.33	Hauling material - may have to be duplicated
Wilbanks Trucking	\$475.88	Forklift - may have to be duplicated
A.D. Jones Estate	\$2000.00	Right of way - may have to be duplicated
A.D. Jones Estate	\$2163.00	Right of way - may have to be duplicated
A.D. Jones Estate	\$500.00	Right of way - may have to be duplicated
J.S. Ward	\$4858.50	Blowout insurance - this was for Yates when they thought they had 100% of the well; it may have to be duplicated.

Very truly yours,


James Bruce
Attorney for Pride Energy Company

cc w/encl.: William F. Carr

Revised Schedule of Cost Incurred by Yates Petroleum Corporation et al.
Prepared to supplement hearing held November 10, 2004

11/30/2004

Well Name: Limbaugh AYO State #1 (Pride's Name: State X #1)

ACCT MONTH	ACCT YEAR	INVR	SERVICE MONTH	SERVICE DAY	YEAR	PROPERTY	DESCRIPTION	VENDOR NAME	AMOUNT
8	2003	B-1903	8	28	2003	LIMBAUGH AYO STATE #1	STAKING, PERMIT & LEGAL FEES	GENERAL SURVEYING CO	\$317.58
9	2003	093592	9	11	2003	LIMBAUGH AYO STATE #1	MISC VLV'S, FITTINGS, SUPPLIES (A)	YATES PETROLEUM CORPORATION	\$2,781.31
9	2003	093385	9	8	2003	LIMBAUGH AYO STATE #1	MISC VLV'S, FITTINGS, SUPPLIES (A)	YATES PETROLEUM CORPORATION	\$204.24
9	2003	093385	9	8	2003	LIMBAUGH AYO STATE #1	2" SK LP API GATE VALVE, (B)	YATES PETROLEUM CORPORATION	\$593.34
9	2003	093385	9	8	2003	LIMBAUGH AYO STATE #1	STRUCTURAL TBG, CSG & RODS (A)	YATES PETROLEUM CORPORATION	\$91.00
9	2003	309025HS	9	11	2003	LIMBAUGH AYO STATE #1	CHRISTMAS TREE & WELLHEAD	ARTESIA FIELD SERVICE	\$168.18
9	2003	1023	9	2	2003	LIMBAUGH AYO STATE #1	SURFACE REPAIR & MAINT	RYDER SERVICES, INC.	\$93.45
9	2003	11126	9	6	2003	LIMBAUGH AYO STATE #1	SB-12 MIL PIT LINING	DUDLEY SALES & SERVICE	\$845.66
9	2003	95030	9	30	2003	LIMBAUGH AYO STATE #1	BASE PLATE KIT, CSGHD	WOOD GROUP PRESSURE CONTROL	\$3,350.04
9	2003	12-02301-03	9	5	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, INSPCT-COMPL.	E.L. FARMER & COMPANY	\$803.65
9	2003	12-02303-03	9	5	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, INSPCT-COMPL.	E.L. FARMER & COMPANY	\$1,160.25
9	2003	12-02355-03	9	11	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, INSPCT-COMPL.	E.L. FARMER & COMPANY	\$99.85
9	2003	12-02359-03	9	12	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, INSPCT-COMPL.	E.L. FARMER & COMPANY	\$1,266.33
9	2003	136576	9	7	2003	LIMBAUGH AYO STATE #1	WATER FOR COMPLETION	GANDY CORPORATION	\$973.20
9	2003	14627	9	3	2003	LIMBAUGH AYO STATE #1	BITS TOOLS & SUPP - COMPLETION	HOBBS ANCHOR, INC.	\$856.43
9	2003	41600458	9	3	2003	LIMBAUGH AYO STATE #1	COMPLETION UNIT - SWABBING	KEY ENERGY SERVICES, INC.	\$15,192.14
9	2003	4313	9	23	2003	LIMBAUGH AYO STATE #1	LOCATION, RIGHT-OF-WAY	L. RAMIREZ TRUCKING AND	\$10,504.25
9	2003	13215	9	3	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, ETC.-COMPL.	MORGAN TOOLS CO LLC	\$1,186.57
9	2003	13216	9	3	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, ETC.-COMPL.	MORGAN TOOLS CO LLC	\$686.95
9	2003	13118	9	3	2003	LIMBAUGH AYO STATE #1	ADDITIONAL LOC CHARGES-COMPL.	MORGAN TOOLS CO LLC	\$1,298.01
9	2003	13119	9	3	2003	LIMBAUGH AYO STATE #1	ADDITIONAL LOC CHARGES-COMPL.	MORGAN TOOLS CO LLC	\$2,242.64
9	2003	4007	9	9	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, ETC.-COMPL.	TWO-STATE EQUIPMENT, INC.	\$814.85
9	2003	2W 0327388	9	23	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, INSPCT-COMPL.	WEATHERFORD U.S., L.P.	\$3,916.14
9	2003	2W 0327389	9	23	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, INSPCT-COMPL.	WEATHERFORD U.S., L.P.	\$11,382.91
9	2003	2W 0327398	9	23	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, ETC.-COMPL.	WEATHERFORD U.S., L.P.	\$6,944.77
9	2003	86623	9	3	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, ETC.-COMPL.	PHILIP L. WELER DIBIA WELER	\$776.86
9	2003	95-2231	9	12	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, ETC.-COMPL.	WILBANKS TRUCKING	\$475.88
9	2003		9	30	2003	LIMBAUGH AYO STATE #1	09/2003 ENGR. SERVICE	YATES PETROLEUM CORPORATION	\$2,113.98
9	2003		9	2	2003	LIMBAUGH AYO STATE #1	LOCATION, RIGHT-OF-WAY	JONES, A. D. ESTATE	\$2,000.00
9	2003		9	2	2003	LIMBAUGH AYO STATE #1	LOCATION, RIGHT-OF-WAY	JONES, A. D. ESTATE	\$2,163.00
9	2003		9	2	2003	LIMBAUGH AYO STATE #1	LOCATION, RIGHT-OF-WAY	JONES, A. D. ESTATE	\$500.00
10	2003	136985	9	10	2003	LIMBAUGH AYO STATE #1	WATER FOR COMPLETION	GANDY CORPORATION	\$1,386.81
10	2003	33828	9	8	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, INSPCT-COMPL.	MCILROY SERVICE COMPANY	\$596.38
10	2003	2W 0329069	9	26	2003	LIMBAUGH AYO STATE #1	TOOL&EQPT RENTAL, INSPCT-COMPL.	WEATHERFORD U.S., L.P.	\$1,776.43
10	2003	C.O.W. INS	10	31	2003	LIMBAUGH AYO STATE #1	C.O.W. INS.	J.S. WARD & SON, INC.	\$4,858.50
									<u>\$84,397.58</u>

Revised Cost Schedule
Pride Costs for Limbaugh Well.xls