PRIDE ENERGY COMPANY

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July 21, 2008

State of New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505 Via Certified Mail Return Receipt # 91 3408 2133 3931 4295 0732

Re: Case No. 13703 Pooling Order No. R-12566

Section 13-11S-33E: N½ Lea County, New Mexico

To Whom It May Concern,

The reference to the above described Pooling Order the total completed well costs are \$4,139,224.30. Attached is an itemized schedule of the actual well costs.

Thank you and if there are any questions, please feel free to contact me at (918) 524-9200.

Sincerely,

Matthew L. Pride

Pride Energy Company

Matthe L. Pride

Inbe #13-1 Well Costs

Vendor Name A & K Electric & Water Well Drillin A.X.I.S. Ace Transportation ACT Equipment Company Atlas Tubular, LP B&L Satellite Rentals, Inc. B.C.R., Inc. Baker Hughes Barriga Tank Service Inc Basin Surveys	
A.X.I.S. Ace Transportation ACT Equipment Company Atlas Tubular, LP B&L Satellite Rentals, Inc. B.C.R., Inc. Baker Hughes Barriga Tank Service Inc	Total
Ace Transportation ACT Equipment Company Atlas Tubular, LP B&L Satellite Rentals, Inc. B.C.R., Inc. Baker Hughes Barriga Tank Service Inc	3,504.03
ACT Equipment Company Atlas Tubular, LP B&L Satellite Rentals, Inc. B.C.R., Inc. Baker Hughes Barriga Tank Service Inc	3,967.50
Atlas Tubular, LP B&L Satellite Rentals, Inc. B.C.R., Inc. Baker Hughes Barriga Tank Service Inc	1,750.00
B&L Satellite Rentals, Inc. B.C.R., Inc. Baker Hughes Barriga Tank Service Inc	13,769.90 322,985.93
B.C.R., Inc. Baker Hughes Barriga Tank Service Inc	1,546.97
Baker Hughes Barriga Tank Service Inc	19,520.73
	48,339.88
Basin Survevs	295.05
	2,027.42
BJ Services Co., Inc.	195,733.86
Black Warrior Wireline Corp Boc Gases	43,718.17 20,249.10
BOS Services Inc.	358.31
Bull Rogers Inc	7,498.01
Butch's Rat Hole & Anchor Service	7,476.17
Byrd R & S Oilfield Services, LP	12,069.02
C.C. & Co., LLC	8,864.35
Cagle Fishing & Rental Tools, Ltd.	6,866.46
Charlie's Field Service, Inc. Choice Oilfield Service	1,254.30
Citibank Aadvantage	3,451.62 1,889.06
Cogburn Pipe & Supply, Inc.	6,462.70
Coombes Trucking Inc	1,043.41
Corrosion Ltd.	5,145.41
Crain Hot Oil Service	12,596.32
Crown Equipment, Inc.	1,093.22
CRST Malone, Inc CRFB	738.00
D&L Manufacturing, Inc. Double G Oilfield Service LLC	3,338.41 6,382.01
E. D. Walton Construction Co Inc	7,973.62
Eddins-Walcher	48,155.75
Express Energy Services, LLC	16,258.11
Gandy Corporation	2,663.16
Gandy Marley Inc	1,170.61
Geosite, Inc.	23,067.80
Golden Eagle Drilling, LLC (Drilling)	2,220,000.00
Good Ol' Boys Guardian Wellhead Protection Inc	4,794.56
Haller-Phillips, Inc.	431.81
Hi-Plains Measurment	1,400.00
Hobbs Anchor Inc.	2,356.39
J&B Trucking	36,037.15
Jack Pratt Screen- Ad Co.	161.13
Jaco Bit, Inc.	6,401.25
James Bruce	17,201.02
Jimmy Foster Joe's Inspection Service, Inc.	393.75 3,115.28
Knight Oil Tools	9,818.84
L & L Oilfield Services	772.96
L&R Bit Co.	2,782.00
L.Ramirez Construction, L.L.C.	14,402.81
Lea County Packer Sales & Rentals	10,867.79
Liberty Maintenance Services	5,330.54
McBride Supplies It All Medina's Hot Shot	5,020.28
Mesquite Services, Inc.	644.00 4,411.36
M-I Swaco LLC	67,800.97
Noble Energy, Inc.	3,463.07
Patriot Well Service LLC (Forklift Rental	18,000.00
Patriot Well Service LLC (Polypipe &	
Water Pump Rental & Generator)	24,000.00
Patriot Well Service LLC (Comm.	0.000.00
Satalita Bantal)	9,000.00
Satelite Rental)	32,000.00
Patriot Well Service LLC (2 Trailers	52,000.00
Patriot Well Service LLC (2 Trailers Rental)	2,500.00
Patriot Well Service LLC (2 Trailers	3,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone)	
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings)	120,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure	120,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator)	120,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Wate	120,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Water Patriot Well Service LLC (Sewer	120,000.00 12,000.00 2,500.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Wate	120,000.00 12,000.00 2,500.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Water Patriot Well Service LLC (Sewer Facilities (Trailers)) Patriot Well Service LLC (Portable Sewer Facilities)	120,000.00 12,000.00 2,500.00 4,500.00 3,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Water Patriot Well Service LLC (Sewer Facilities (Trailers)) Patriot Well Service LLC (Portable Sewer Facilities) Patriot Well Service LLC (Mobilization of	120,000.00 12,000.00 2,500.00 4,500.00 3,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Water Patriot Well Service LLC (Sewer Facilities (Trailers)) Patriot Well Service LLC (Portable Sewer Facilities) Patriot Well Service LLC (Mobilization of Rig)	120,000.00 12,000.00 2,500.00 4,500.00 3,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Wate Patriot Well Service LLC (Sewer Facilities (Trailers)) Patriot Well Service LLC (Portable Sewer Facilities) Patriot Well Service LLC (Mobilization of Rig) Patriot Well Service LLC (Completion	120,000.00 12,000.00 2,500.00 4,500.00 3,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Wate Patriot Well Service LLC (Sewer Facilities (Trailers)) Patriot Well Service LLC (Portable Sewer Facilities) Patriot Well Service LLC (Mobilization of Rig) Patriot Well Service LLC (Completion Rig)	120,000.00 12,000.00 2,500.00 4,500.00 3,000.00 100,000.00 84,000.00
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Wate Patriot Well Service LLC (Sewer Facilities (Trailers)) Patriot Well Service LLC (Portable Sewer Facilities) Patriot Well Service LLC (Mobilization of Rig) Patriot Well Service LLC (Completion Rig) Pearce Trust	120,000.00 12,000.00 2,500.00 4,500.00 3,000.00 100,000.00 84,000.00 22,702.67
Patriot Well Service LLC (2 Trailers Rental) Patriot Well Service LLC (Computer Rental) Patriot Well Service LLC (Cell Phone) Patriot Well Service LLC (Consultings) Patriot Well Service LLC (High Pressure Separator) Patriot Well Service LLC (Portable Wate Patriot Well Service LLC (Sewer Facilities (Trailers)) Patriot Well Service LLC (Portable Sewer Facilities) Patriot Well Service LLC (Mobilization of Rig) Patriot Well Service LLC (Completion Rig)	120,000.00 12,000.00 2,500.00 4,500.00 3,000.00 100,000.00 84,000.00

Case No. 13703 Pooling Order No. R-12566 Section 13-11S-33E: N1/2 Lea County, New Mexico

Precision Gas Measurement Inc	310.39
Pride Energy Company	
(Supervision/Drilling Overhead)	20,000.00
Pro Well Testing & Wireline	7,780.72
Production Specialty Services, Inc.	655.88
Quannah, Inc.	675.33
Ralph's Welding	295.05
Rogers Hot Shot Service, LLC	1,325.29
Rotary Wire Line Service Inc	5,974.50
Sam's Truckiing	1,244.00
Scarbrough Enterprises, Inc.	6,718.13
Simons Petroleum	143,837.14
SMCO Instumentation & Electrical	1,228.45
Smith International, Inc	31,647.84
Special Welding Service Co.	2,365.00
Stone Oilfield Service	19,330.81
Sullivan's Crane & Rigging Co., Inc	28,164.43
Sunrise Trucking	936.72
Superior Wellhead, Inc.	23,389.30
TFH Rental Tools	3,133.68
Tomahawk Pumping Service	526.87
Triple N Services Inc.	4,470.00
Tuboscope	23,632.14
VMJ Oilfield Service, Inc.	454.37
Weatherford International, Inc	1,896.90
Young's Manufactured Homes	2,733.17
Zia Transports, Inc.	7,566.40
Grand Total	4,139,224.30