

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

APPLICATION OF CIMAREX ENERGY CO. FOR
A NON-STANDARD OIL SPACING AND PRORATION
UNIT AND COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

14,167
Case No. 14,155

VERIFIED STATEMENT OF CARL SPEIGHT

Carl Speight, being duly sworn upon his oath, deposes and states:

1. I am a landman for Cimarex Energy Co., and have personal knowledge of the matters stated herein.

2. Pursuant to Division Rule 1210.A(1)(b), the following information is submitted in support of the application:

(a) No opposition to this application is expected because the mineral interest owners being pooled are either unlocatable or have simply not responded to well proposals.

(b) A plat outlining the spacing unit being pooled, and marking the location of the proposed well, is attached hereto as Exhibit A. Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of the E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 17, Township 15 South, Range 36 East, NMPM, to form a non-standard 80-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Caudill-Permo Upper Penn Pool, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Caudill West "17" Fee Well No. 2, a horizontal well to be drilled at a surface location 2300 feet from the north line and 500 feet from the east line, with a terminus 400 feet from the north line and 400 feet from the east line, of Section 17. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well unit is non-standard because of the horizontal well.

(c) The parties being pooled, their interests in the well unit, and their last known addresses, are listed on Exhibit B. The E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 17 is comprised of fee lands.

Oil Conservation Division
Case No. _____
Exhibit No. 1

(d) Copies of the proposal letters sent to the uncommitted mineral interest owners are attached hereto as Exhibit C.

(e) Interest owners who are not locatable are highlighted in yellow on Exhibit B. To try to locate these interest owners, Cimarex Energy Co. examined the Lea County records, telephone directories and records in the counties of the last known residences of the out-of-state owners, and internet directories. Correspondence to the last known addresses of these interest owners was returned to sender.

(f) Cimarex Energy Co. has made a good faith effort to obtain the voluntary joinder of interest owners in the well.

(g) The offset operators or lessees of the acreage surrounding the well unit are as follows:

- (i) S½ of Section 8.
Cimarex Energy Co.
- (ii) SW¼ of Section 9.
V-F Petroleum, Inc.
P.O. Box 1889
Midland, Texas 79702
- (iii) W½NW¼ of Section 16.
OXY USA WTP Limited Partnership
5 Greenway Plaza
Houston, Texas 77046

Cimarex Energy Co.
- (iv) NW¼SW¼ of Section 16.
Fasken Acquisitions 95-I, Ltd.
Fasken Oil and Ranch, Ltd.
Suite 1800
303 West Wall
Midland, Texas 79701
- (v) W½NE¼ and N½SE¼ of Section 16.
Cimarex Energy Co.
Parties being pooled

(h) Pursuant to Division rules, applicant requests that a 200% risk charge be assessed against non-consenting interest owners.

(i) A copy of the Authority for Expenditure for the proposed well is attached hereto as Exhibit D. The drilling and completion costs set forth therein are fair and reasonable, and are comparable to those of other wells of this depth drilled in this area of Lea County.

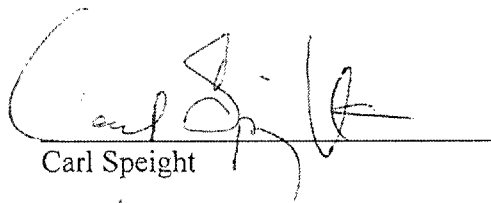
(j) Overhead charges of \$6000/month for a drilling well, and \$600/month for a producing well, are requested. These rates are fair and reasonable, and are in line with rates charged by other operators in this area for wells of this depth. Cimarex Energy Co. requests that the rates be adjusted under the COPAS accounting procedure.

(k) Applicant requests that it be designated operator of the well.

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

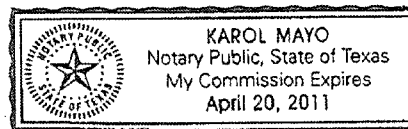
Carl Speight, being duly sworn upon his oath, deposes and states that: He is a landman for Cimarex Energy Co.; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.


Carl Speight

SUBSCRIBED AND SWORN TO before me this 27th day of August, 2008 by Carl Speight.

My Commission Expires: 4/20/2011


Notary Public



EXHIBIT

B

UNLEASED MINERAL OWNERS & LEASEHOLD OWNER	MINERAL INTEREST	UNIT WI for Caudill 17 Fee #2
Ann Childers (address unknown)	1/140	0.714286%
Chesapeake Exploration Limited Partnership 6100 North Western Avenue Oklahoma City, OK 73118		18.383763%
Christa L. Leavell P.O. Box 470 Robinson, Illinois 62454	3/6400	0.046875%
Christa L. Leavell, Custodian for Michelle C. Leavell P.O. Box 470 Robinson, Illinois 62454	3/6400	0.046875%
Estate of Elizabeth Brown Bennett, Deceased P.O. Box 1054 Arlington, Texas 76010	2/63	3.174603%
FFF, Inc. P.O. Box 8687 Denver, Colorado 80201	9/51200	0.017578%
Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Living Trust dated 2-8-07 P.O. Box 7961 Boulder, CO 80306	9/32000	0.028125%
Estate of E.P. Childers, Deceased	1/140	0.714286%

Shaw Interests, Inc.
OIL & GAS PROPERTIES
MIDLAND, TX 79701

310 W. Wall, Suite 305

(432) 685-1404

June 6, 2008

Ann Childers
Address Unknown

Re: Oil & Gas Lease
E/2NE/4 of Section 17
Township 15 South, Range 36 East
Lea County, New Mexico

Dear Ann:

According to our title research you own an undivided 1/140, or .571428571 net mineral acres under the above described lands. Enclosed is an Oil and Gas Lease for your review. The terms of this lease are a \$150.00 an acre bonus consideration, a three (3) year primary term and a one-fifth (1/5) royalty. Please be advised that our client, Cimarex Energy Co., proposes to drill a horizontal Wolfcamp test located in the E/2NE/4 of Section 17, Township 15 South, Range 36 East, Lea County, New Mexico.

Enclosed is a detailed AFE reflecting estimated well costs.

If you wish to participate and pay your proportionate share of well costs, please execute the AFE and return to the undersigned as soon as possible. Otherwise, in lieu of being subject to a compulsory pooling, you have the option to lease your minerals at the terms proposed above. If you do not respond within 30 days of the date posted above, you will be subject to the compulsory pooling.

Please do not hesitate to contact us with any questions. We look forward to your response.

Sincerely,

SHAW INTERESTS

Tim Lilley

EXHIBIT

C

Shaw Interests, Inc.

OIL & GAS PROPERTIES

310 W. Wall, Suite 305

MIDLAND, TX 79701

(432) 685-1404

June 6, 2008

Christa L. Leavell
P.O. Box 470
Robinson, IL 62454

**Re: Oil & Gas Lease
E/2NE/4 of Section 17
Township 15 South, Range 36 East
Lea County, New Mexico**

Dear Christa:

According to our title research as Custodian for Michelle C. Leavell, you own an undivided 3/6400, or .0375 net mineral acres under the above described lands. Enclosed is an Oil and Gas Lease for your review. The terms of this lease are a \$150.00 an acre bonus consideration, a three (3) year primary term and a one-fifth (1/5) royalty. Please be advised that our client, Cimarex Energy Co., proposes to drill a horizontal Wolfcamp test located in the E/2NE/4 of Section 17, Township 15 South, Range 36 East, Lea County, New Mexico.

Enclosed is a detailed AFE reflecting estimated well costs.

If you wish to participate and pay your proportionate share of well costs, please execute the AFE and return to the undersigned as soon as possible. Otherwise, in lieu of being subject to a compulsory pooling, you have the option to lease your minerals at the terms proposed above. If you do not respond within 30 days of the date posted above, you will be subject to the compulsory pooling.

Please do not hesitate to contact us with any questions. We look forward to your response.

Sincerely,

SHAW INTERESTS

Tim Lilley

Shaw Interests, Inc.
OIL & GAS PROPERTIES

310 W. Wall, Suite 305

MIDLAND, TX 79701

(432) 685-1404

June 6, 2008

Christa L. Leavell
P.O. Box 470
Robinson, IL 62454

Re: Oil & Gas Lease
E/2NE/4 of Section 17
Township 15 South, Range 36 East
Lea County, New Mexico

Dear Christa:

According to our title research you own an undivided 3/6400, or .0375 net mineral acres under the above described lands. Enclosed is an Oil and Gas Lease for your review. The terms of this lease are a \$150.00 an acre bonus consideration, a three (3) year primary term and a one-fifth (1/5) royalty. Please be advised that our client, Cimarex Energy Co., proposes to drill a horizontal Wolfcamp test located in the E/2NE/4 of Section 17, Township 15 South, Range 36 East, Lea County, New Mexico.

Enclosed is a detailed AFE reflecting estimated well costs.

If you wish to participate and pay your proportionate share of well costs, please execute the AFE and return to the undersigned as soon as possible. Otherwise, in lieu of being subject to a compulsory pooling, you have the option to lease your minerals at the terms proposed above. If you do not respond within 30 days of the date posted above, you will be subject to the compulsory pooling.

Please do not hesitate to contact us with any questions. We look forward to your response.

Sincerely,

SHAW INTERESTS

Tim Lilley

Shaw Interests, Inc.
OIL & GAS PROPERTIES
MIDLAND, TX 79701

310 W. Wall, Suite 305

(432) 685-1404

June 6, 2008

Elizabeth Brown Bennett
P.O. Box 1054
Arlington, TX 76010

Re: Oil & Gas Lease
E/2NE/4 of Section 17
Township 15 South, Range 36 East
Lea County, New Mexico

Dear Elizabeth:

According to our title research as Custodian for Michelle C. Leavell, you own an undivided 2/63, or 2.53968254 net mineral acres under the above described lands. Enclosed is an Oil and Gas Lease for your review. The terms of this lease are a \$150.00 an acre bonus consideration, a three (3) year primary term and a one-fifth (1/5) royalty. Please be advised that our client, Cimarex Energy Co., proposes to drill a horizontal Wolfcamp test located in the E/2NE/4 of Section 17, Township 15 South, Range 36 East, Lea County, New Mexico.

Enclosed is a detailed AFE reflecting estimated well costs.

If you wish to participate and pay your proportionate share of well costs, please execute the AFE and return to the undersigned as soon as possible. Otherwise, in lieu of being subject to a compulsory pooling, you have the option to lease your minerals at the terms proposed above. If you do not respond within 30 days of the date posted above, you will be subject to the compulsory pooling.

Please do not hesitate to contact us with any questions. We look forward to your response.

Sincerely,

SHAW INTERESTS

Tim Lilley

Shaw Interests, Inc.

OIL & GAS PROPERTIES

310 W. Wall, Suite 305

MIDLAND, TX 79701

(432) 685-1404

June 6, 2008

FFF, Inc.
P.O. Box 8687
Denver, CO 80201

**Re: Oil & Gas Lease
E/2NE/4 of Section 17
Township 15 South, Range 36 East
Lea County, New Mexico**

To Whom It May Concern:

According to our title research FFF, Inc. owns an undivided 9/51200, or .0140625 net mineral acres under the above described lands. Enclosed is an Oil and Gas Lease for your review. The terms of this lease are a \$150.00 an acre bonus consideration, a three (3) year primary term and a one-fifth (1/5) royalty. Please be advised that our client, Cimarex Energy Co., proposes to drill a horizontal Wolfcamp test located in the E/2NE/4 of Section 17, Township 15 South, Range 36 East, Lea County, New Mexico.

Enclosed is a detailed AFE reflecting estimated well costs.

If you wish to participate and pay your proportionate share of well costs, please execute the AFE and return to the undersigned as soon as possible. Otherwise, in lieu of being subject to a compulsory pooling, you have the option to lease your minerals at the terms proposed above. If you do not respond within 30 days of the date posted above, you will be subject to the compulsory pooling.

Please do not hesitate to contact us with any questions. We look forward to your response.

Sincerely,

SHAW INTERESTS

Tim Lilley

Shaw Interests, Inc.
OIL & GAS PROPERTIES

310 W. Wall, Suite 305

MIDLAND, TX 79701

(432) 685-1404

June 6, 2008

Jonathan S. Roderick
P.O. Box 7961
Boulder, CO 80306

Re: Oil & Gas Lease
E/2NE/4 of Section 17
Township 15 South, Range 36 East
Lea County, New Mexico

Dear Jonathan:

According to our title research, the Jonathan S. Roderick Living Trust dated 2-8-07 owns an undivided 9/32000, or .0225 net mineral acres under the above described lands. Enclosed is an Oil and Gas Lease for your review. The terms of this lease are a \$150.00 an acre bonus consideration, a three (3) year primary term and a one-fifth (1/5) royalty. Please be advised that our client, Cimarex Energy Co., proposes to drill a horizontal Wolfcamp test located in the E/2NE/4 of Section 17, Township 15 South, Range 36 East, Lea County, New Mexico.

Enclosed is a detailed AFE reflecting estimated well costs.

If you wish to participate and pay your proportionate share of well costs, please execute the AFE and return to the undersigned as soon as possible. Otherwise, in lieu of being subject to a compulsory pooling, you have the option to lease your minerals at the terms proposed above. If you do not respond within 30 days of the date posted above, you will be subject to the compulsory pooling.

Please do not hesitate to contact us with any questions. We look forward to your response.

Sincerely,

SHAW INTERESTS

Tim Lilley

Shaw Interests, Inc.

OIL & GAS PROPERTIES

310 W. Wall, Suite 305

MIDLAND, TX 79701

(432) 685-1404

June 6, 2008

Estate of E.P. Childers, Deceased
Address Unknown

**Re: Oil & Gas Lease
E/2NE/4 of Section 17
Township 15 South, Range 36 East
Lea County, New Mexico**

To Whom It May Concern:

According to our title research, the Estate of E.P. Childers, Deceased owns an undivided 1/140, or .571428571 net mineral acres under the above described lands. Enclosed is an Oil and Gas Lease for your review. The terms of this lease are a \$150.00 an acre bonus consideration, a three (3) year primary term and a one-fifth (1/5) royalty. Please be advised that our client, Cimarex Energy Co., proposes to drill a horizontal Wolfcamp test located in the E/2NE/4 of Section 17, Township 15 South, Range 36 East, Lea County, New Mexico.

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Please do not hesitate to contact us with any questions. We look forward to your response.

Sincerely,

SHAW INTERESTS

Tim Lilley



AUTHORIZATION FOR EXPENDITURE

COMPANY ENTITY Cimarex Energy Co.				DATE PREPARED January 7, 2008	
REGION Permian	WELL NAME Caudill West 17 Fee	WELL NO. 2H	PROSPECT OR FIELD NAME Star-Denton	PROPERTY NUMBER	DRILLING AFE NO.
LOCATION SHL 2300' FNL & 500' FEL BHL 400' FNL & 400' FEL Sec 17, T15S, R36E			COUNTY Lea	STATE New Mexico	TYPE WELL OIL <input checked="" type="checkbox"/> EXPL. <input checked="" type="checkbox"/> GAS <input type="checkbox"/> PROD. <input type="checkbox"/>
ORIGINAL ESTIMATE <input checked="" type="checkbox"/>	REVISED ESTIMATE <input type="checkbox"/>	SUPPLEMENTAL ESTIMATE <input type="checkbox"/>	EST. START DATE	EST. COMP. DATE	FORMATION Wolfcamp
					EST. TD 10900 TVD 12,720' MD

PROJECT DESCRIPTION:

Drill and complete a horizontal wolfcamp well.

<u>INTANGIBLES</u>	<u>DRY HOLE COST</u>	<u>AFTER CASING POINT</u>	<u>COMPLETED WELL COST</u>
Intangible Drilling Costs	\$2,281,000		\$2,281,000
Intangible Completion Costs		586,000	586,000
TOTAL INTANGIBLE COSTS	2,281,000	586,000	2,867,000
<u>TANGIBLES</u>			
Well Equipment	135,000	500,500	635,500
Lease Equipment		84,000	84,000
TOTAL TANGIBLE WELL COST	135,000	584,500	719,500
PLUG AND ABANDON COST	150,000	(150,000)	
TOTAL WELL COST:	\$2,566,000	\$1,020,500	\$3,586,500

Comments on Well Costs:

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

WELL CONTROL INSURANCE:

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

_____ I elect to purchase my own well control insurance policy.

Well control insurance procured by Operator, provides, among other terms, for \$20,000,000 (100% W.I.) of Combined Single Limit coverage for well control and related redrilling and clean-up/pollution expense covering drilling (through completion) with a \$1,000,000 (100% W.I.) deductible.

Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

291.73

CIMAREX ENERGY CO. APPROVAL

PREPARED BY Mark Audas, Sr. Drilling/Completion Engineer Permian Basin	DRILLING AND COMPLETION MANAGER Doug Park, Mgr. Drilling/Completion Operations Offshore and Permian Regions	REGIONAL MANAGER Roger Alexander, Regional Manager Permian Basin
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JOINT INTEREST APPROVAL

COMPANY	BY	DATE
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8/28/2008 1:58 PM



PROJECT COST ESTIMATE

LEASE NAME: Caudill West 17 Fee

WELL NO.:

2H

INTANGIBLES	Codes	DRY HOLE COST	Codes	AFTER CASING POINT	COMPLETED WELL COST
ROADS & LOCATION PREPARATION / RESTORATION	DICC.100	\$100,000	DICC.100	\$2,000	\$102,000
DAMAGES	DICC.106	\$60,000	DICC.106		\$60,000
MUD/FLUIDS DISPOSAL CHARGES	DICC.255	\$20,000	DICC.235	\$5,000	\$25,000
DAY RATE 44 DH DAYS 4 ACP DAYS @ PER DAY	DICC.115	\$697,000	DICC.120	\$62,000	\$759,000
MISC PREPARATION COST (mouse hole, rat hole, pads, pile clusters, misc.)	DICC.120	\$8,000			\$8,000
BITS	DICC.125	\$80,000	DICC.125	\$1,000	\$81,000
FUEL \$2.70 PER GALLON	DICC.135	\$95,000	DICC.130	\$1,000	\$96,000
WATER / COMPLETION FLUIDS	DICC.140	\$30,800	DICC.135	\$15,000	\$45,800
MUD & ADDITIVES	DICC.145	\$61,600			\$61,600
SURFACE RENTALS	DICC.150	\$77,000	DICC.140	\$30,000	\$107,000
DOWNHOLE RENTALS	DICC.155	\$98,000	DICC.145	\$20,000	\$118,000
FORMATION EVALUATION (DST, Coring including evaluation, G&G SERVICES)	DICC.160				
MUD LOGGING 30 DAYS @ \$900 PER DAY	DICC.170	\$34,000			\$34,000
OPEN HOLE LOGGING	DICC.180	\$75,000			\$75,000
CEMENTING & FLOAT EQUIPMENT	DICC.185	\$70,000	DICC.155	\$30,000	\$100,000
TUBULAR INSPECTIONS	DICC.190	\$3,000	DICC.160	\$2,000	\$5,000
CASING CREWS	DICC.195	\$19,000	DICC.165	\$18,000	\$37,000
EXTRA LABOR, WELDING, ETC.	DICC.200	\$26,400	DICC.170	\$5,000	\$31,400
LAND TRANSPORTATION (Trucking)	DICC.205	\$13,200	DICC.175	\$4,000	\$17,200
SUPERVISION	DICC.210	\$62,000	DICC.180	\$14,400	\$76,400
TRAILER HOUSE/CAMP/CATERING	DICC.260	\$22,000	DICC.255	\$3,000	\$25,000
OTHER MISC EXPENSES	DICC.220	\$5,000	DICC.190	\$5,000	\$10,000
OVERHEAD	DICC.225	\$13,000	DICC.195	\$2,400	\$15,400
REMEDIAL CEMENTING	DICC.231		DICC.215		
MOB/DEMOB	DICC.240	\$120,000			\$120,000
DIRECTIONAL DRILLING SERVICES 14 DAYS @ 12300 PER DAY	DICC.245	\$172,000			\$172,000
DOCK, DISPATCHER, CRANE	DICC.250		DICC.230		
MARINE & AIR TRANSPORTATION	DICC.275		DICC.250		
SOLIDS CONTROL	DICC.260	\$101,000			\$101,000
WELL CONTROL EQUIP (Shrubbing services)	DICC.265	\$42,000	DICC.240	\$21,000	\$63,000
FISHING & SIDETRACK OPERATIONS	DICC.270	\$60,000	DICC.245		\$60,000
COMPLETION RIG 8 DAYS @ 4400 PER DAY			DICC.115	\$35,200	\$35,200
COIL TUBING 1 DAYS @ 38000 PER DAY			DICC.260	\$38,000	\$38,000
COMPLETION LOGGING, PERFORATING, WL UNITS, WL SURVEYS			DICC.200	\$6,000	\$6,000
STIMULATION			DICC.210	\$200,000	\$200,000
LEGAL/REGULATORY/CURATIVE	DICC.300	\$3,000	DICC.280		\$3,000
WELL CONTROL INSURANCE \$0.35 PER FOOT	DICC.255	\$4,000			\$4,000
CONTINGENCY 5% OF DRILLING INTANGIBLES	DICC.435	\$109,000	DICC.220	\$26,000	\$135,000
CONSTRUCTION FOR WELL EQUIPMENT			DWEA.110	\$1,000	\$1,000
CONSTRUCTION FOR LEASE EQUIPMENT			DLEQ.110	\$39,000	\$39,000
CONSTRUCTION FOR SALES P/L			DICC.265		
TOTAL INTANGIBLE COST:		\$2,281,000		\$586,000	\$2,867,000
TANGIBLE - WELL EQUIPMENT					
CASING	SIZE FEET S/FOOT				
DRIVE PIPE 20" 40 100.00	DWEB.150	4,000			\$4,000
CONDUCTOR PIPE	DWEB.130				
WATER STRING	DWEB.135				
SURFACE CASING 13-3/8" 600 44.00	DWEB.140	26,000			\$26,000
INTERMEDIATE CASING 8-5/8" 4,500 20.00	DWEB.145	90,000			\$90,000
DRILLING LINER 7"	DWEB.145				
DRILLING LINER	DWEB.145				
PRODUCTION CASING OR LINER 5 1/2" 9,800 17.80	DWEA.100	174,000			\$174,000
PRODUCTION TIE-BACK	DWEA.100				
TUBING 2 7/8" 12,400 6.50	DWEA.105	81,000			\$81,000
N/C WELL EQUIPMENT	DWEA.115	\$9,000			\$9,000
WELLHEAD, TREE, CHOKES	DWEB.115	15,000	DWEA.120	\$32,000	\$47,000
LINER HANGER, ISOLATION PACKER	DWEB.100		DWEA.125	\$82,000	\$82,000
PACKER, NIPPLES			DWEA.130		
PUMPING UNIT, ENGINE			DLEQ.100	\$98,000	\$98,000
LIFT EQUIPMENT (BHP, Rods, Anchors)			DLEQ.105	\$24,500	\$24,500
TANGIBLE - LEASE EQUIPMENT					
N/C LEASE EQUIPMENT			DLEQ.115	\$44,000	\$44,000
TANKS, TANKS STEPS, STAIRS			DLEQ.120	\$21,000	\$21,000
BATTERY (Heater Treater, Separator, Gas Treating Equipment)			DLEQ.125	\$18,000	\$18,000
FLOW LINES (Line Pipe from wellhead to central facility)			DLEQ.130	\$1,000	\$1,000
OFFSHORE PRODUCTION STRUCTURE FOR FACILITIES			DWEA.135		
PIPELINES TO SALES			DWEA.140		
TOTAL TANGIBLES:		\$135,000		\$504,500	\$719,500
P&A COSTS	DICC.295	150,000	DICC.275	(150,000)	
TOTAL COST:		\$2,566,000		\$1,020,500	\$3,586,500