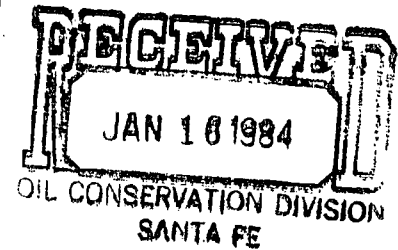




Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141



January 13, 1984

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 7729
Stogner

Attention Mr. Joe D. Ramey

Gentlemen:

Dagger Draw No. 4: Compulsory Pooling and Non-Standard Oil Proration
Unit, Eddy County, New Mexico - Order No. R-7148

A review of our records indicate a final drilling cost schedule for the Dagger Draw No. 4 well has not been submitted to the New Mexico Oil Conservation Division per the subject pooling agreement. Therefore, attached for your files is an itemized schedule of actual well costs for the Dagger Draw No. 4 well.

If you have any questions, please contact David G. Smylie, ext. 106 of this office.

Yours very truly,

DGS:ksh

Attachment

PORT NO. 13-9261

PROD DEPT

AFE STATEMENT

ACCTG DATE: 10/83

AFE NO. 347

TEGORY: DRILL
PE: DRILL
OUP: DEVELOPMENT
ASS: OIL

APPROVAL
DATE
09/30/82

HOBS
IN-OPERATION
DATE
03/18/83

DIVISION
COMPLETION
DATE
08/30/83

CLOSING
DATE
11/83

LEASE CODE 69833
INTEREST: 4867
OPERATOR: CONO

RESULT: OIL

PROJECT TITLE: D&E DAGGER DRAW COM NO. 4

FEATURE DESCRIPTION
R MIL & EQ-CASH/WHSE
TOTAL MATERIAL

FEA NO 9
NET AMOUNT
AUTHORIZED
99,991
99,991

CURRENT MONTH EXPENDED
GROSS
NET
1,887.36
1,887.36

EXPENDED FROM INCEPTION
GROSS
NET
177,345.38
177,345.38

NET OVER/UNDER
EXPENDED
13,745.5
13,745.5

LV & DISMANTLING COSTS
SCCELLANEOUS COSTS
TOTAL DEPR INTANGIBLE

108
145

3,934.64
3,934.64
10,432.01
11,915.08
12,347.09

10,432.
1,915.
12,347.

TOTAL DEPR INVESTMENT

99,991

1,887.36

181,280.02

98,592.58

1,398.

EL, WATER, LUBS, ELEC
C DMGS, ROADS, BRIDGES
LG CONTRACT-FOOTAGE
LG CONTRACT-DAYWORK
D MILS, CHEM. & SVCS
MENT & CEMENTING SVCS
NCONROLLABLE MILS
DRIG TOOL RENTALS
RFORATING
IDZ, FRACCTG, SHOOTING
LL SURV, ELEC-MUD LOG
VISION EXPENSE
LABOR & SUPV
NTRACT LABOR
LES TAX (DEPR INV)
SCCELLANEOUS COSTS
TOTAL INTANG INVESTMENT

403 21,906
407 9,738
411 69,516
412 14,214
416 24,340
417 28,040
418 13,631
421 9,738
427 4,869
428 14,602
429 17,037
431 14,602
437 976
438 2,923
439 12,656
444 3,844
445 9,777
272,409

10,117.54
1,935.11
7,661.37
1,577.33
522.24
224.64
1,086.67
387.88
3,486.12
26,998.90

33,789.21
15,963.98
99,136.03
21,082.15
22,858.14
34,564.56
16,920.21
11,907.32
3,761.42
4,408.43
15,631.43
6,779.58
12,227.63
13,353.04
947.62
16,319.24
329,649.99

16,015.49
7,687.68
48,251.54
10,261.12
11,125.53
16,497.37
8,168.32
5,773.33
1,830.76
2,145.68
7,608.14
3,290.46
496.65
5,905.21
6,482.69
461.22
7,911.23
159,912.42
112,496.

TOTAL CASH/WHSE OUTLAY

372,400

11.60

28,886.26

510,930.01

258,505.00

113,895.

HAND MIL & EQ
TOTAL ON HAND MATERIAL

1

2,149.50
2,149.50

1,046.21
1,046.21

1,046.
1,046.

TOTAL DEPR INVESTMENT

2,149.50

1,046.21

1,046.

REPORT NO. 13-9261

PROD DEPT

AFE STATEMENT

ACCTG DATE: 10/83

AFE NO. 34

CATEGORY: DRILL
TYPE: DRILL
GROUP: DEVELOPMENT
CLASS: OIL

APPROVAL
DATE
09/30/82

HOBBS
IN-OPERATION
DATE
03/18/83
DIVISION
COMPLETION
DATE
08/30/83
PROJECT TITLE: D&E DAGGER DRAW COM NO. 4

CLOSING
DATE
11/83

LEASE CODE 6983
INTEREST: .4867
OPERATOR: CONO

RESULT: OIL

FEATURE DESCRIPTION
LOSS/GAIN ON SALVAGE MIL
TOTAL INTANG INVESTMENT

FEA
NO
402
NET AMOUNT
AUTHORIZED

CURRENT MONTH EXPENDED
-----GROSS-----
-----NET-----

EXPENDED FROM INCEPTION
-----GROSS-----
-----NET-----
137.16-
137.16-
66.76-
66.76-

NET OVER/UNDER
EXPENDED
66.
66.

TOTAL ON HAND INVESTMENT

2,012.34

979.45

979.

TOTAL COST OF PROJECT

372,400

11.60

28,886.26

512,942.35

259,484.45

112,915.

TOTAL AFE

372,400

11.60

28,886.26

512,942.35

259,484.45