

EMPEROR FEDERAL GAS COM B NO. 1

EXPENSES INCURRED 2008

	INTANGIBLES (300% PENALTY)	EQUIPMENT (100% PENALTY)	OPERATING (100% PENALTY)	TOTAL
AUGUST	\$25,081.75	\$109,604.55	\$6,351.14	\$141,037.44
SEPTEMBER	\$144,485.70	\$186,919.93	\$432.04	\$331,837.67
OCTOBER	\$13,702.21	\$13,195.14	\$7,604.73	\$34,502.08
NOVEMBER	\$2,871.88	\$0.00	\$10,219.26	\$13,091.14
DECEMBER	\$1,568.17	\$35,534.93	\$19,595.80	\$56,698.90
TOTALS FOR 2008	\$187,709.71	\$345,254.55	\$44,202.97	\$577,167.23

PROPOSED EXPENSES 2009 (AFE FOR NEW ROD STRING)

	\$15,500.00	\$47,000.00		\$62,500.00
TOTALS INCLUDING PROPOSED WORK	\$203,209.71	\$392,254.55	\$44,202.97	\$639,667.23

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Case No. 14263- Exhibit No. 4
 Submitted by:
 LYNX PETROLEUM CONSULTANTS, INC.
 Hearing Date: JANUARY 8, 2009