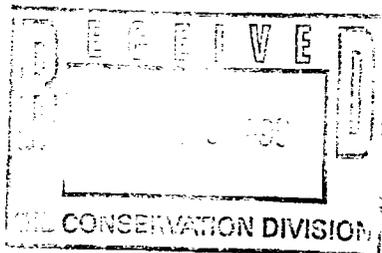




April 16, 1996



Case No. 11247

Southern

Rockies

Business

Unit

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

Attention: Mr. William J. LeMay, Director

Re: Burnham Gas Com /A/ #1
NW/4 of Section 12-T29N-R13W
San Juan County, New Mexico

Stogner
JTE
Case No. 11247

Dear Mr. LeMay:

Reference is made to that certain Order of the Division Number R-10418 dated July 17, 1995 issued by your office regarding the captioned well. Page 7, item (6) of the Order provides in part that "...operator shall furnish the Division and each known working interest owner an itemized schedule of actual well costs...".

Attached is a copy of the breakdown of the well costs for the captioned well, required pursuant to the order. Amoco is concurrently providing a copy of this letter and the cost breakdown to all the working interest owners in the well shown on the attached list via Certified Mail - Return Receipt Requested.

If you have any questions or need anything further, please advise.

Yours very truly,

Julie T. Jenkins
Senior Land Negotiator

JTJ/ms
encl.

cc: Working Interest Owners
Addressee List attached

**Working Interest Owners
Burnham Gas Com /A/ #1**

Diamond Head Properties, L. P.
P. O. Box 2127
Midland, TX 79702

Kerr-McGee Corporation
P. O. Box 25861
Oklahoma City, OK 73125-0861

Roderick Allen Markham
1500 Broadway, Suite 1212
Lubbock, TX 79401-3192

Manon Markham McMullen
2200 Berkeley
Wichita Falls, TX 76308

Estate of John J. Christmann, deceased
c/o Christmann Mineral Company
1500 Broadway, Suite 800
Lubbock, TX 79401-3104

BURNHAM GAS COM /A/, WELL #1

INTANGIBLE - DRILLING

LOCATION	\$702.17
RIG COSTS	\$42,706.58
RENTAL EQUIP	\$12,833.22
MAT & SUPPL	\$2,110.68
CO LABOR/EXP	\$85.50
CONTRACT LABOR	<u>\$21,133.85</u>
TOTAL	\$79,572.00

TANGIBLE

WELLHEAD	\$942.26
RESERVE	\$94.42
CASING OTHER	<u>\$9,175.37</u>
TOTAL	\$10,212.05

TOTAL DRLG **\$89,784.05**

INTANGIBLE - COMPLETION

LOCATION	\$898.74
RENTAL EQUIP	\$529.45
MAT & SUPPL	\$456.09
STIMULATION	\$16,987.30
WELL TESTING	\$468.24
CO LABOR/EXP	\$340.95
CONTRACT LABOR	<u>\$8,160.58</u>
TOTAL	\$27,841.35

TANGIBLE

TBG+WH	<u>\$5,318.71</u>
TOTAL	\$5,318.71

TOTAL COMPL **\$33,160.06**

ASSOCIATED PRODUCTION FACILITY

PRODUCTION UNIT	\$7,650.00
LINE PIPE	\$2,937.60
OTHER	\$14,252.01
TOTAL	\$24,839.61

TOTAL COST **\$147,783.72**