

P.O. Box 7606
Midland, Texas 79708

TRILOGY OPERATING, INC.

915/686-2027
FAX 915/686-2040

Brooks

February 1, 2002

New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87504

Re: Well Costs
Ruby #1 Well
SE/4 SW/4 Section 24, T-19-S, R-38-E,
Case No. 12659, Order No. R-11604
Lea County, New Mexico
Emerald Prospect

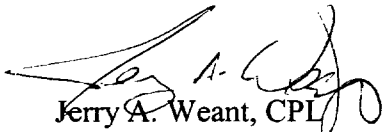
OIL CONSERVATION DIV
02 FEB -5 PM 2:03

Ladies & Gentlemen:

In compliance with Order No. R-11604, please find enclosed a schedule of the well costs incurred in drilling, completing and equipping of the captioned well. We have also delivered a copy of this schedule to those parties for whom we have addresses who had previously elected not to participate in this well.

Additionally, we have submitted a copy of the Order to each such party. Should you have any questions, please contact our office.

Yours very truly,


Jerry A. Weant, CPL
President

cc: Thomas W. Kellahin
117 N. Guadalupe
Santa Fe, New Mexico 87501

Compulsory Pooling: Ruby #1: NMOCD Well Costs

WELL NAME: RUBY #1
LEASE NO.: 008072 -1

DECK	BILL CODE	TRANS DATE	COST CNTR	VENDOR NAME	INVOICE	INTANGIBLE		EQUIPMENT	BILLING DESCRIPTION
						EXPENSE			
A	3-03	042901	99	BJ SERVICES COMPANY	911214	37,221.08		0.00	CEMENT 5 1/2"
A	3-03	071201	1	BJ SERVICES COMPANY	925597	1,456.40		0.00	SQUEEZE ABO
A	3-03	041501	1	BJ SERVICES COMPANY	909418	14,096.15		0.00	CEMENT 8 5/8"
A	3-03	071201	1	BJ SERVICES COMPANY	925052	7,628.18		0.00	SQUEEZE ABO
A	3-03	052401	99	BJ SERVICES COMPANY	915644	(2,625.00)		0.00	CEMENT 5 1/2"
A	3-04	052401	1	EUNICE WELL SERVICE	765	7,749.03		0.00	COMPLETION UNIT
A	3-04	053001	1	EUNICE WELL SERVICE	786	10,298.81		0.00	COMPLETION UNIT
A	3-04	071901	1	EUNICE WELL SERVICE	1042	19,602.21		0.00	COMPLETION UNIT
A	3-04	110701	1	EUNICE WELL SERVICE	1499	4,380.77		0.00	COMPLETION UNIT
A	3-04	091801	1	EUNICE WELL SERVICE	1284	6,573.01		0.00	COMPLETION UNIT
A	3-05	041301	1	ABBOT BROS RATHOLE	14866	2,964.89		0.00	DRILLING
A	3-05	042901	99	PATTERSON DRILLING	2001054109	158,664.38		0.00	DRILLING
A	3-10	052901	1	ABC RENTAL TOO	50520	919.76		0.00	EQUIP RENTAL/TRUCKING
A	3-10	091701	1	ABC RENTAL TOO	90910	550.23		0.00	EQUIP RENTAL/TRUCKING
A	3-10	072301	1	ABC RENTAL TOO	70708	957.64		0.00	EQUIP RENTAL/TRUCKING
A	3-10	110901	1	ABC RENTAL TOO	111158	585.27		0.00	EQUIP RENTAL/TRUCKING
A	3-10	052401	99	B & L RENTAL SERVICE	30260	4,838.40		0.00	EQUIP RENTAL/TRUCKING
A	3-10	053101	99	BASIC ENERGY S	4000944	1,081.20		0.00	EQUIP RENTAL/TRUCKING
A	3-10	051801	1	BASIC ENERGY SERVICE	4000826	148.40		0.00	EQUIP RENTAL/TRUCKING
A	3-10	071701	1	BJ SERVICES CO	926788	1,930.54		0.00	EQUIP RENTAL/TRUCKING
A	3-10	053101	99	BRITT TRUCKING	501-140	210.14		0.00	EQUIP RENTAL/TRUCKING
A	3-10	052901	1	BRUNSON, NOLAN	2105177	4,766.18		0.00	EQUIP RENTAL/TRUCKING
A	3-10	052901	99	CHAPARRAL SERVICE	134525	246.09		0.00	EQUIP RENTAL/TRUCKING
A	3-10	050101	99	COX COMPANY	500111	133.67		0.00	EQUIP RENTAL/TRUCKING
A	3-10	051101	99	LIL' RED WAGON	1293	339.60		0.00	EQUIP RENTAL/TRUCKING
A	3-10	043001	99	MCCLATCHY BROS	65739	365.46		0.00	EQUIP RENTAL/TRUCKING
A	3-10	052401	1	MCCLATCHY BROS	66207	151.72		0.00	EQUIP RENTAL/TRUCKING
A	3-10	053001	99	PATE TRUCKING	34587	298.39		0.00	EQUIP RENTAL/TRUCKING
A	3-10	052901	99	PATE TRUCKING	34547	1,097.63		0.00	EQUIP RENTAL/TRUCKING
A	3-10	071401	1	PATE TRUCKING	35421	180.20		0.00	EQUIP RENTAL/TRUCKING
A	3-10	091801	1	PATE TRUCKING	36451	216.24		0.00	EQUIP RENTAL/TRUCKING
A	3-10	073001	1	PATE TRUCKING	35670	699.60		0.00	EQUIP RENTAL/TRUCKING
A	3-10	052301	1	PATE TRUCKING	34497	763.20		0.00	EQUIP RENTAL/TRUCKING
A	3-10	051801	1	ROBERSON TRUCKING	1524	878.21		0.00	EQUIP RENTAL/TRUCKING
A	3-10	071701	1	STAR TOOL CO.	H32686	4,119.53		0.00	EQUIP RENTAL/TRUCKING
A	3-10	043001	99	TRIUMPH DRILLING	#M-1617	3,331.16		0.00	EQUIP RENTAL/TRUCKING
A	3-13	081101	99	ROCKY MOUNTAIN	2001057	5,492.74		0.00	EQUIP RENTAL/TRUCKING
A	3-13	072101	99	ROCKY MOUNTAIN	2001047	6,256.58		0.00	HAUL 126JTS 2 7/8"
A	3-13	062101	99	ROCKY MOUNTAIN	2001035	4,074.84		0.00	REVERSE UNIT
A	3-15	060601	99	ULMO, GEORGE	060601	1,119.98		0.00	REARER, STABILIZER, SUB

TRILOGY OPERATING, INC.

JIB BILLED ITEMS DETAIL REPORT

01/29/2002

WELL NAME: RUBY #1
LEASE NO.: 008072 -1

DECK	BILL CODE	TRANS DATE	COST CNTR	VENDOR NAME	INVOICE	INTANGIBLE		EQUIPMENT	BILLING DESCRIPTION	
						EXPENSE				
A	3-16	041401	1	GIBBINS, B.W.	223111	190.80		0.00	LABOR - ROUSTABOUT	WELDER
A	3-16	041601	99	RALPH'S WELDING	6125	190.80		0.00	LABOR - ROUSTABOUT	CUT-OFF CASING
A	3-16	042901	99	RALPH'S WELDING	6223	286.20		0.00	LABOR - ROUSTABOUT	CUT-OFF CASING
A	3-16	051801	1	ROBERSON TRUCKING	1524	581.94		0.00	LABOR - ROUSTABOUT	
A	3-16	053101	99	ROBERSON TRUCKING	1540	2,348.96		0.00	LABOR - ROUSTABOUT	
A	3-16	061301	99	ROBERSON TRUCKING	1607	6,830.59		0.00	LABOR - ROUSTABOUT	
A	3-16	071001	99	ROBERSON TRUCKING	1727	482.30		0.00	LABOR - ROUSTABOUT	
A	3-19	041601	1	AKOME, INC.	2296	2,170.35		0.00	LOCATION - ROADS, PITS, PAC LINE PIT	
A	3-19	041801	1	R E CONSTRUCTION	10881	21,630.98		0.00	LOCATION - ROADS, PITS, PAC BUILD LOC,ROADS,PITS	
A	3-19	042401	1	S & H ENTERPRISES	39661CK	5,062.50		0.00	LOCATION - ROADS, PITS, PAC 2025 YDS CALICHE	
A	3-20	042401	1	S & H ENTERPRISES	39661CK	8,775.00		0.00	LOCATION - DAMAGES	LOCATION DAMANGES
A	3-20	052301	1	S & H ENTERPRISES	10501	2,500.00		0.00	LOCATION - DAMAGES	BATTERY LOCATION
A	3-20	042401	1	S & H ENTERPRISES	39661CK	5,850.00		0.00	LOCATION - DAMAGES	CROP DAMANGES
A	3-20	042401	1	S & H ENTERPRISES	39661CK	600.00		0.00	LOCATION - DAMAGES	ROAD R.O.W.
A	3-20	052301	1	S & H ENTERPRISES	10501	1,680.00		0.00	LOCATION - DAMAGES	FLOWLINE
A	3-21	033001	99	WEST, JOHN SURVEYS	01-11-0401	595.57		0.00	LOCATION - SURVEY	STAKE LOCATION
A	3-22	052201	1	CAPTAN CORPORATION	3448	985.00		0.00	LOGGING - CASED HOLE	
A	3-22	072001	1	CARDINAL SURVEYS	23196	7,366.78		0.00	LOGGING - CASED HOLE	
A	3-22	092101	1	CARDINAL SURVEYS	23216	4,989.40		0.00	LOGGING - CASED HOLE	
A	3-23	043001	1	MORCO GEOLOGICAL	4697	8,708.22		0.00	LOGGING - MUD	PRODUCTION LOG
A	3-24	050801	1	SCHLUMBERGER	9090640327	28,220.31		0.00	LOGGING - OPEN HOLE	
A	3-25	043001	99	BLAIR MACHINE,	40436	96.24		0.00	MISCELLANEOUS	
A	3-25	110701	1	DON-NAN PUMP & SUPPLY	423147	106.74		0.00	MISCELLANEOUS	REPAIR TBG ANCHOR
A	3-25	051701	1	FEDERAL EXPRESS	580303516	33.54		0.00	MISCELLANEOUS	COMPULSORY POOLING
A	3-25	050201	1	HOBBS ANCHOR,	10674	662.50		0.00	MISCELLANEOUS	SET ANCHORS
A	3-25	042401	1	S & H ENTERPRISES	39661CK	4,000.00		0.00	MISCELLANEOUS	REIMB REVERSAL PKG
A	3-25	043001	1	S & S EQUIPMENT	56486	702.42		0.00	MISCELLANEOUS	FLINTCOAT 5 1/2"
A	3-25	042501	99	SMITH INTERNATIONAL	IN087915	6,518.56		0.00	MISCELLANEOUS	1 - 7 7/8" BIT
A	3-25	050201	99	VAREL INTERNATIONAL	00046478	125.00		0.00	MISCELLANEOUS	SALES TAX 12 1/4" BIT
A	3-25	050201	99	VAREL INTERNATIONAL	00046478	177.50		0.00	MISCELLANEOUS	SALES TAX 7 7/8" BIT
A	3-25	043001	99	VAREL INTERNATIONAL	00046415	2,519.76		0.00	MISCELLANEOUS	1 - 12 1/4" BIT
A	3-26	043001	99	VAREL INTERNATIONAL	00046415	3,569.76		0.00	MISCELLANEOUS	1 - 7 7/8" BIT
A	3-26	050301	99	CORROSION LTD.	17541	1,732.42		0.00	MUD & CHEMICALS	
A	3-26	050201	99	HORIZON MUD COMPANY	4926	8,851.20		0.00	MUD & CHEMICALS	
A	3-29	052101	1	CAPTAN CORP	3443	5,971.35		0.00	PERFORATING	
A	3-29	072301	1	CAPTAN CORPORATION	3496	4,495.05		0.00	PERFORATING	
A	3-29	052501	1	CAPTAN CORPORATION	3450	3,040.80		0.00	PERFORATING	
A	3-32	052101	1	BJ SERVICES CO	915255	66,913.66		0.00	STIMULATION - ACIDIZING	
A	3-32	072301	1	PETROPLEX ACIDIZING	29609	13,737.83		0.00	STIMULATION - ACIDIZING	
A	3-32	061501	1	PETROPLEX ACIDIZING	29355	5,793.69		0.00	STIMULATION - ACIDIZING	
A	3-32	052101	1	PETROPLEX ACIDIZING	29135	6,896.79		0.00	STIMULATION - ACIDIZING	

TRILOGY OPERATING, INC.

JIB BILLED ITEMS DETAIL REPORT

01/29/2002

WELL NAME: RUBY #1
LEASE NO.: 008072 -1

BILL DECK CODE	TRANS DATE	COST CNTR	VENDOR NAME	INVOICE	INTANGIBLE		EQUIPMENT	BILLING DESCRIPTION
					EXPENSE			
A	3-32	052901	1	PETROPLEX ACIDIZING	29183	10,142.81	0.00	STIMULATION - ACIDIZING
A	3-32	110801	1	PETROPLEX ACIDIZING	30334	8,502.71	0.00	STIMULATION - ACIDIZING
A	3-34	110201	1	ANDREWS PUMP &	48199	38.80	0.00	SUPPLIES
A	3-34	071701	1	DON-NAN PUMP & SUPPLY	410254	16.11	0.00	SUPPLIES
A	3-34	071801	1	DON-NAN PUMP & SUPPLY	410513	43.25	0.00	SUPPLIES
A	3-36	091001	99	CRAIN HOT OIL SERVICE	33654	234.01	0.00	TEST TUBING / CASING
A	3-40	042401	1	S & H ENTERPRISES	39661CK	1,010.00	0.00	WATER
A	3-43	053101	1	TRILOGY OPERATING, INC	5/20011	15.25	0.00	INSURANCE
A	3-43	063001	1	TRILOGY OPERATING, INC	6/20011	14.29	0.00	INSURANCE
A	3-43	043001	1	TRILOGY OPERATING, INC	4/20011	541.75	0.00	INSURANCE
A	3-44	110501	99	BJ SERVICES CO	948226	2,411.15	0.00	WIRELINING UNIT
A	3-44	071601	1	CAPITAN CORPORATION	3491	2,756.25	0.00	WIRELINING UNIT
A	3-46	052401	1	CHAPARRAL SERVICE	134420	354.43	0.00	WATER TRANSPORT
A	3-46	051801	1	CHAPARRAL SERVICE	134249	532.16	0.00	WATER TRANSPORT
A	3-46	071901	1	PATE TRUCKING	35489	1,516.86	0.00	WATER TRANSPORT
A	3-46	110701	1	PATE TRUCKING	37343	866.02	0.00	WATER TRANSPORT
A	3-46	052301	1	PATE TRUCKING	34497	781.64	0.00	WATER TRANSPORT
A	3-46	071601	1	PATE TRUCKING	35442	1,318.64	0.00	WATER TRANSPORT
A	3-46	071701	1	PATE TRUCKING	35450	923.26	0.00	WATER TRANSPORT
A	3-46	061501	1	PATE TRUCKING	34969	594.66	0.00	WATER TRANSPORT
A	3-46	041601	1	ZIA TRANSPORTS	17520	2,908.06	0.00	WATER TRANSPORT
A	3-46	042201	1	ZIA TRANSPORTS	17522	2,462.85	0.00	WATER TRANSPORT
A	3-46	042701	99	ZIA TRANSPORTS	18124	492.57	0.00	WATER TRANSPORT
A	3-46	042601	99	ZIA TRANSPORTS	17806	426.26	0.00	WATER TRANSPORT
A	3-46	041601	1	ZIA TRANSPORTS	17519	2,627.04	0.00	WATER TRANSPORT
A	3-46	042501	1	ZIA TRANSPORTS	17829	328.38	0.00	WATER TRANSPORT
A	3-46	042301	1	ZIA TRANSPORTS	17762	1,149.33	0.00	WATER TRANSPORT
A	3-46	041801	1	ZIA TRANSPORTS	17782	492.57	0.00	WATER TRANSPORT
A	3-46	042001	1	ZIA TRANSPORTS	17793	284.18	0.00	WATER TRANSPORT
A	3-50	042901	99	CONNECTION INSPECTION	4837	1,017.60	0.00	INSPECTION SERVICES
A	3-52	041901	1	ROGERS, BULL I	401-94	1,544.56	0.00	CASING CREW
A	3-52	050201	99	ROGERS, BULL I	401-164	2,449.71	0.00	CASING CREW
A	3-52	050201	99	PATTERSON DRILLING	401-164 LD	1,136.70	0.00	CASING CREW
A	3-56	051501	99	PATTERSON DRILLING	2001054111	11,066.24	0.00	FUEL
A	4-01	072301	99	ANDREWS PUMP &	47210	2,646.44	0.00	BOTTOM HOLE PUMP
A	4-01	060401	1	DON-NAN PUMP & SUPPLY	405148	1,755.06	0.00	BOTTOM HOLE PUMP
A	4-02	042601	1	POSEY PIPE CO.	99-127	37,079.45	0.00	CASING
A	4-02	042601	1	POSEY PIPE CO.	99-127	13,821.21	0.00	CASING
A	4-02	042601	1	POSEY PIPE CO.	99-127	13,544.78	0.00	CASING
A	4-02	042601	1	POSEY PIPE CO.	99-127	(13,821.21)	0.00	CASING
A	4-02	042601	1	POSEY PIPE CO.	99-127	36,337.86	0.00	CASING

TRILOGY OPERATING, INC.

JIB BILLED ITEMS DETAIL REPORT

01/29/2002

WELL NAME: RUBY #1
LEASE NO.: 008072 -1

DECK	BILL CODE	TRANS DATE	COST CNTR	VENDOR NAME	INVOICE	INTANGIBLE EXPENSE	EQUIPMENT	BILLING DESCRIPTION
A	4-02	041301	1	POSEY PIPE CO.	99-122	0.00	14,925.74	CASING 1744' 8 5/8" J55
A	4-02	042601	1	POSEY PIPE CO.	99-127	0.00	(37,079.45)	CASING 6036' 5 1/2" J55
A	4-02	041301	1	POSEY PIPE CO.	99-122	0.00	14,627.22	CASING 1744' 8 5/8" J55
A	4-02	041301	1	POSEY PIPE CO.	99-122	0.00	(14,925.74)	CASING 1744' 8 5/8" J55
A	4-07	051701	1	DON-NAN PUMP & SUPPLY	403121	0.00	816.83	MISCELLANEOUS CIRCULATING PUMP W/MOTC
A	4-07	053101	1	K & S ELECTRIC	58014	0.00	7,549.03	MISCELLANEOUS POWER LINE
A	4-07	053101	1	K & S ELECTRIC	58019	0.00	1,226.69	MISCELLANEOUS
A	4-08	053101	1	K & S ELECTRIC	58014	0.00	2,225.47	MOTOR
A	4-09	052501	99	SHORES OILFIELD	3369	0.00	38,850.00	PUMPING UNIT
A	4-11	052901	1	CDI ENERGY SERVICES	0403835-IN	0.00	3,582.34	SUCKER RODS
A	4-11	052901	1	CDI ENERGY SERVICES	0403835-IN	0.00	2,502.89	SUCKER RODS
A	4-12	072001	1	PALMER OF TEXAS	23338	0.00	4,336.50	TANKS, TREATERS
A	4-12	072001	1	PALMER OF TEXAS	23338	0.00	6,392.40	TANKS, TREATERS
A	4-12	072001	99	PALMER OF TEXAS	23338	0.00	(4,336.50)	TANKS, TREATERS
A	4-12	072001	1	PALMER OF TEXAS	23338	0.00	12,973.80	TANKS, TREATERS
A	4-13	052201	1	MATERIAL TRANSFER	MT0105-01	0.00	3,651.72	TUBING
A	4-13	051601	1	POSEY PIPE CO.	99-136	0.00	9,552.41	TUBING
A	4-15	052401	1	DON-NAN PUMP & SUPPLY	404000	0.00	4,439.80	VALVES & FITTINGS
A	4-15	052501	1	DON-NAN PUMP & SUPPLY	404172	0.00	821.03	VALVES & FITTINGS
A	4-15	053001	1	DON-NAN PUMP & SUPPLY	404505	0.00	1,076.38	VALVES & FITTINGS
A	4-15	051701	1	DON-NAN PUMP & SUPPLY	403121	0.00	39.46	VALVES & FITTINGS
A	4-15	051801	1	DON-NAN PUMP & SUPPLY	403375	0.00	6,058.36	VALVES & FITTINGS
A	4-15	060101	1	DON-NAN PUMP & SUPPLY	404948	0.00	(234.76)	VALVES & FITTINGS
A	4-15	062001	1	DON-NAN PUMP & SUPPLY	407137	0.00	860.31	VALVES & FITTINGS
A	4-15	052501	1	DON-NAN PUMP & SUPPLY	404171	0.00	1,127.20	VALVES & FITTINGS
A	4-15	060101	1	DON-NAN PUMP & SUPPLY	404928	0.00	(355.80)	VALVES & FITTINGS
A	4-15	050101	1	DON-NAN PUMP & SUPPLY	401049	0.00	81.57	VALVES & FITTINGS
A	4-17	041601	1	DON-NAN PUMP & SUPPLY	399308	0.00	675.66	WELLHEAD
A	4-17	050201	1	DON-NAN PUMP & SUPPLY	401178	0.00	809.30	WELLHEAD
A	5-06	052201	1	MATERIAL TRANSFER	MT0105-02	0.00	5,119.20	LINE PIPE
A	5-11	052201	1	MATERIAL TRANSFER	MT0105-04	0.00	4,034.00	SEPARATOR
A	5-12	053001	99	MATERIAL TRANSFER	MT0106-01	0.00	1,328.67	SUCKER RODS
A	5-12	053001	99	MATERIAL TRANSFER	MT0106-01	0.00	730.87	SUCKER RODS
A	5-14	052201	1	MATERIAL TRANSFER	MT0105-03	0.00	8,761.88	TUBING

===== 620,753.12 193,608.07 =====