



PENNECO DRILLING ASSOCIATES 2003-1

MONTH OF JULY 2018

Cash Balance - June 30th, 2018	\$	55.47
Revenue		
Net Oil Sales - Month of June 2018		2,317.97
Net Gas Sales - Month of June 2018		8,724.69
U.S. Project		3,377.20
Plugging Reserve Liquidation		<u>1,000.00</u>
Total Cash Available		<u>15,475.33</u>
Expenses		
Well Tending and Maintenance Cost		7,600.00
Plugging Reserve		2,000.00
Electric		11.09
Third Party Charges		260.50
Salt Water Hauling		520.20
Repairs to Wells (#1 of 2)		2,086.19
Repairs to Wells (#2 of 5)		<u>2,905.42</u>
Total Cash Expenses		<u>15,383.40</u>
Distribution to Partners		<u>-</u>
Cash Balance 7/31/18	\$	<u>91.93</u>
Plugging Reserve Balance at 7/31/18	\$	<u>401,625.00</u>

Cash Distribution/\$12,500 of Investment	\$	<u>0.00</u>
Cash Return on Investment		<u>101.5%</u>
Cash Return including the initial year tax savings		<u>201.0%</u>

* The cash return on investment is calculated by (a) taking the sum of (i) distributions, (ii) energy credits (for the years in effect), and (iii) after tax depletion benefits, and (b) dividing the result by the gross investment.

**Assumes the highest personal Federal marginal tax rate (50% for 1983 thru 1986; 38.5% for 1987; 28% for 1988 thru 1990; 31% for 1991 and 1992; 39.6% for 1993 thru 2000; 39.1% for 2001; 38.6% for 2002; and 35% for 2003 thru 2012; and 39.6% for 2013 thru 2016.) The return on investment including initial year tax savings is calculated (1) by (a) taking the sum of (i) distributions, (ii) energy credits, (iii) and after tax depletion benefits, and (b) dividing the result by the gross investment less the initial year tax savings, (2) by dividing the initial year tax savings by the gross investment, and (3) by adding the results of the preceding clauses (1) and (2).

6608 Route 22 Delmont, PA 15626 Phone: (724) 468-8232 FAX: (724) 468-8230

EMAIL penneco@penneco.com