PENNECO DRILLING ASSOCIATES 2011-1

MONTH OF JANUARY 2020

Cash Balance - December 31st, 2019	$	4.24
Revenue		
Net Oil Sales - Month of December 2019		45,007.00
Net Gas Sales - Month of December 2019		6,790.84
Sale of Wells		118,336.40
Plugging Reserve Liquidation		-
Total Cash Available		170,138.48
Expenses		
Well Tending and Maintenance Cost		20,188.00
Well Tending A/P		71,100.00
Plugging Reserve		5,000.00
Electric		175.68
Third Party Charges		74.22
Salt Water Hauling		285.44
Insurance (#6 of 10)		246.64
Well Servicing (#2 of 3)		3,297.31
Well Servicing		1,201.73
Well Servicing (#3 of 10)		5,544.49
Total Cash Expenses		107,113.51
Distribution to Partners		**63,000.00**
Cash Balance 1/31/2020	$	24.97
Plugging Reserve Balance at 12/31/2019	$	305,405.82
Plugging Reserve Deposit January 2020		5,000.00
Plugging Reserve Liquidation January 2020		-
Well Plugging		-
Plugging Reserve Balance at 1/31/2020	$	310,405.82

Cash Distribution/$12,500 of Investment	$	**19.72**
Cash Return on Investment		30.4%
Cash Return including the initial year tax savings		87.2%

*The cash return on investment is caluclated 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 2017; and 37% for 2018 thru 2019) and PA personal income tax rate (averaged 2.456%, from 1983-1997;2.8% from 1998 thru 2003 and 3.07% from 2004 thru 2019.) 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).

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