

# PENNECO DRILLING ASSOCIATES 2012-1

## MONTH OF JULY 2023

Cash Balance - June 30th, 2023	\$	2.52
<b>Revenue</b>		
Net Oil Sales - Month of June 2023		-
Net Gas Sales - Month of June 2023		2,348.71
Sale of Well Interest		-
Plugging Reserve Liquidation		58,310.00
Total Cash Available		<u>60,661.23</u>
<b>Expenses</b>		
Well Tending and Maintenance Cost		20,538.00
Plugging Reserve		-
Electric		139.35
Third Party Charges		223.20
Salt Water Hauling		1,254.33
Well Servicing		38,497.16
Total Cash Expenses		<u>60,652.04</u>
<b>Distribution to Partners</b>		<u>-</u>
Cash Balance 7/31/2023	\$	<u>9.19</u>
Plugging Reserve Balance at 6/30/2023	\$	188,745.18
Plugging Reserve Deposit July 2023		-
Plugging Reserve Liquidation July 2023		(58,310.00)
Well Plugging		-
Plugging Reserve Balance at 7/31/2023	\$	<u>130,435.18</u>

<b>Cash Distribution/\$12,500 of Investment</b>	\$	<u><b>0.00</b></u>
Cash Return on Investment		<u>24.0%</u>
Cash Return including the initial year tax savings		<u>76.8%</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 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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