

J. C. BARNES OIL COMPANY

P. O. BOX 505
MIDLAND, TEXAS 79701

AFE NUMBER _____

Date September 11, 1978

☒ Wildcat ☐ Development
☒ Drilling ☐ Development
☐ Completion ☐ Completion
 ☐ Drill Deeper
 ☐ Workover

Lease Name Big Chief Well No. 2 Well Location 660' FSL, 1980' FWL, Section 22, T-22-S, R-28-E

County Eddy State New Mexico Proposed Depth 12,750'

Spud Date Immediately Estimated Days To Drill 60 To Complete 30

INTANGIBLE WELL COST

Access, Location & Roads	10,000.00
Rig Move	8,000.00
Footage Cost	
Day Work Cost - \$4,000.00/day	240,000.00
Bits & Reamers	35,000.00
Fuel	7,000.00
Water	7,000.00
Mud & Chemicals	110,000.00
Cementing & Services	22,000.00
Coring	
Surveying & Testing - Electric Logging	12,500.00
Mud Logging	5,000.00
Perforating	8,000.00
Stimulation	5,000.00
Transportation	15,950.00
Drilling Overhead Cost	9,000.00
Other Drilling Expense	20,000.00
Contingencies (10% of Intangible Well Cost)	51,445.00

Total Intangible Well Cost 565,895.00

TANGIBLE WELL COSTS

<u>40</u> ' of <u>20</u> " Conductor Casing	674.00
<u>400</u> ' of <u>13 3/8</u> " Surface Casing	7,264.00
<u>2,700</u> ' of <u>10 3/4</u> " Intermediate Casing	35,208.00
<u>9,000</u> ' of <u>7 5/8</u> " Intermediate Casing	120,000.00
<u>12,750</u> ' of <u>5 1/2</u> " Production Casing	111,262.00
' of " Tie-back Casing	
<u>12,750</u> ' of <u>2" EUE</u> " Tubing	37,000.00
' of " Tubing	
Liner Equipment	
Wellhead Equipment - Nipple-up on 10 3/4" csg.	14,500.00
Producing Facilities, Tank Batteries, Flowlines	20,000.00
Packers & Other Subsurface Tools - (Otis Pkrs.)	7,000.00
Contingencies (10% of Tangible Well Costs)	35,290.00

Total Tangible Well Costs 388,198.00

TOTAL WELL COST 954,093.00

Estimated Dry Hole Cost 666,331.00

APPROVED: _____
BY _____
COMPANY _____
DATE _____

APPROVED: _____
J. C. BARNES OIL COMPANY
BY [Signature]
DATE Sept 8 - 1978