

03/15/2005
07:16:03

Authorization for Expenditure
Duff 29-11-8 #104

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Township:

County: San Juan

State: NM

Earnest and Edwin Smith

Interest 25.0000000

FACILITY COSTS	Gross Amount	Your Share
Installation	4,000.00	1,000.00
Contract Services	5,000.00	1,250.00
TOTAL Facility Costs	9,000.00	2,250.00

INTANGIBLE COMPLETION	Gross Amount	Your Share
Completion Rig	15,000.00	3,750.00
Stimulation Treatments	72,000.00	18,000.00
Completion Fluids	4,000.00	1,000.00
Trucking	5,000.00	1,250.00
Equipment Rentals	3,000.00	750.00
Logging & Perforating	6,000.00	1,500.00
Contract Services	8,000.00	2,000.00
Completion Supervision	3,000.00	750.00
Production Casing & Accessories	22,000.00	5,500.00
TOTAL Intangible Completion	138,000.00	34,500.00

INTANGIBLE DRILLING	Gross Amount	Your Share
Site Access - Survey & Staking	2,000.00	500.00
Site Access - Preparation	8,000.00	2,000.00
Rig Mobilization	6,000.00	1,500.00
Drilling - Footage	55,000.00	13,750.00
Mud & Additives	6,000.00	1,500.00
Water to Rig Pit	7,000.00	1,750.00
Equipment Rental (Surface)	3,000.00	750.00
Openhole Logging	6,000.00	1,500.00
Drilling Supervision	3,000.00	750.00
Cementing - Drilling	14,000.00	3,500.00
TOTAL Intangible Drilling	110,000.00	27,500.00

TANGIBLE COMPLETION	Gross Amount	Your Share
Wellhead	7,000.00	1,750.00
Tubing	6,500.00	1,625.00
Downhole Equipment	1,000.00	250.00
TOTAL Tangible Completion	14,500.00	3,625.00

TANGIBLE DRILLING	Gross Amount	Your Share
Surface Casing & Accessories	5,000.00	1,250.00
TOTAL Tangible Drilling	5,000.00	1,250.00

LIL CONSERVATION DIVISION

CASE NUMBER

CYCLER NUMBER

4

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TANGIBLE EQUIPPING	Gross Amount	Your Share
Sucker Rods & Assessories	3,000.00	750.00
Valves & Fittings	3,000.00	750.00
Downhole Pump	2,500.00	625.00
Pumpjack & Base	14,000.00	3,500.00
Flowline	14,000.00	3,500.00
Separators	7,000.00	1,750.00
Storage Tanks	7,000.00	1,750.00
Engines & Motors	6,000.00	1,500.00
Metering Equipment	7,000.00	1,750.00
TOTAL Tangible Equipping	63,500.00	15,875.00
TOTAL COST ESTIMATE	340,000.00	85,000.00

Date: _____

Accepted By: _____
Signature

Print Name