

UNIT PETROLEUM COMPANY

407 N Big Spring St
Suite 101
Midland, TX 79701
(432) 686-8020

WELL/COST ESTIMATE

☒ ORIGINAL
☐ SUPPLEMENT

☒ NEW WELL
☐ SUBSEQUENT DEVELOPMENT
☐ WORKOVER
☐ PLUG AND ABANDON

DISTRICT Midland		WELL NAME Carlsbad Toles Fed Cor		FIELD Dublin Ranch	WI	BCP	ACP	PREPARED BY Matthew Doffer
PROSPECT		Footage from Section Lines		RANGE	BLOCK	SURVEY		DATE 10/18/2005
SECTION 29	1340' FSL & 600' FEL	T22S-R28E						COUNTY Eddy
OBJECTIVE Morrow		PROPOSED TD 12,750 FT	WELL TYPE				STATE New Mexico	
			<input checked="" type="checkbox"/> OIL <input type="checkbox"/> GAS <input type="checkbox"/> SWD <input type="checkbox"/> INJ <input type="checkbox"/> OTHER <input type="checkbox"/> EXPLOR				AFE #	
ESTIMATED DAYS: 48		DRILLING 12	COMPLETION 60		TOTAL			
PURPOSE OF EXPENDITURE & WORK PROCEDURE: Drill, complete and equip a flowing Morrow gas well								

CODE		CLASSIFICATION					ESTIMATE				
1626	1627						DRILLING	COMPLETED	TOTAL		
(ORLG)	(CMPL)	INTANGIBLES									
1	1	PERMITS	\$1,000	SURVEYS	\$1,200	ROW	DAMAGES	\$10,000	12,200	4,000	16,200
2	2	ROADS & LOCATION: BUILD			\$0		CLEAN-UP	\$0	40,000	5,000	45,000
3	3	FOOTAGE DEPTH		0 FT @		\$0.00 /FT			0	0	0
4	4	DW DAYS		48 DAYS @		\$15,500 /DAY		COMP	744,000	80,000	824,000
5	5	MOBILIZE - RU - RD - DEMOBILIZE						80,000	8,000	88,000	
6	6	FUEL/POWER						93,000	5,000	98,000	
7	7	DRLG WATER		WATER WELL		COMP FLUID		35,000	10,000	45,000	
8	8	CONTRACT LABOR/WELDING						35,000	15,000	50,000	
9	9	BITS						60,000	2,000	62,000	
10	10	DRLG FLUID		AIR		CHEMICALS		100,000	5,000	105,000	
11	11	FORMATION TESTING		CORING		FLOW TESTS		0	5,000	5,000	
12	12	OPENHOLE LOGGING & SURVEYS						55,000	0	55,000	
13	13	CEMENT & SERVICES						45,000	55,000	100,000	
14	14	RENTALS & SERVICES: SURFACE		50000 SUBSURFACE		45000		75,000	20,000	95,000	
15	15	CASED HOLE LOGGING		PERFORATING		WIRELINE		0	15,000	15,000	
16	16	STIMULATION : ACID		10000		FRAC		180000 OTHER	10000	150,000	150,000
17	17	SUPPLIES, MATERIALS, & MISCELLANEOUS RENTALS						15,000	5,000	20,000	
18	18	GEOLOGICAL		MUD LOGGING		OTHER PROF		29,000	0	29,000	
19	19	WELL SUPERVISION : DRILLING			COMPLETION			50,000	15,000	65,000	
20	20	OVERHEAD OR COMBINED RATE						12,000	5,000	17,000	
21	21	INSURANCE						0	0	0	
22	22	ABANDONMENT EXPENSE (INCL LOCATION RECOVERY)						15,000	(15,000)	0	
23	23	INSTALLATIONS & SERVICES THRU WELLHEAD						10,000	10,000	20,000	
24	24	TRUCKING & OTHER SERVICES						20,000	15,000	35,000	
32	32	CLOSED MUD SYSTEM						0		0	
40	40	SALVAGE EQUIPMENT						0	0	0	
30	30	CONTINGENCIES		10%				152,600	41,400	194,000	
TOTAL INTANGIBLE COSTS							\$1,677,800	\$455,400	\$2,133,200		
CODE		TANGIBLES					DRILLING	COMPLETED	TOTAL		
101		CONDUCTOR CSG		40 FT OF		20.000 INCH @ \$	120.00 PER FT	4,800		4,800	
102		SURFACE CSG		400 FT OF		13.375 INCH @ \$	36.47 PER FT	14,800		14,800	
103		INTERMEDIATE CSG		8,400 FT OF		9.825 INCH @ \$	30.82 PER FT	196,000		196,000	
	104	PRODUCTION CSG		12,750 FT OF		5.500 INCH @ \$	15.10 PER FT		192,600	192,600	
	105	LINER CSG		FT OF		INCH @ \$	PER FT		0	0	
	106	TUBING		12,600 FT OF		2.375 INCH @ \$	4.73 PER FT		59,600	59,600	
	107	SUCKER RODS		FT OF		0.000 INCH @ \$	0.00 PER FT		0	0	
	108	BH PUMP		GAS LIFT		TBG ANC	OTHER		0	0	
109	109	WELLHEAD : CASING HEAD			TREE			14,000	15,000	29,000	
	110	ARTIFICIAL LIFT			PRIME MOVER				0	0	
	111	PACKERS & SUBSURFACE TOOLS						15,000	15,000		
	112	INSTALLATION COSTS						15,000	15,000		
	121	TANKS & ACCESSORIES						30,000	30,000		
	122	PRODUCTION UNIT		15000 DEHYDRATOR		COMPRESSOR			16,000	16,000	
	123	HEATER TREATER		SEPARATOR					4,000	4,000	
	124	ELECTRICAL SYSTEMS & LINES						0	0		
	125	LEASE LINES						0	0		
	126	CONTROLLABLE VALVES & FITTING						10,000	10,000		
127	127	OTHER EQUIPMENT						4,000	4,000		
	128	NON-CONTROLLABLE LEASE MATERIAL						10,000	10,000		
	129	INSTALLATION COSTS						14,000	14,000		
	131	LINE PIPE						5,000	5,000		
	132	METERING EQUIPMENT						5,000	5,000		
TOTAL TANGIBLES							\$229,400	\$395,200	\$624,600		
TOTAL INTANGIBLES							\$1,677,800	\$455,400	\$2,133,200		
TOTAL WELL COSTS							\$1,907,200	\$850,600	\$2,757,800		

UNIT PETROLEUM APPROVALS			
APPROVED BY	TITLE	DATE	COMPANY
			UNIT PETROLEUM COMPANY
PARTNER APPROVALS			
APPROVED BY	TITLE	DATE	COMPANY