

Rubicon Oil & Gas, LLC									
DRILLING COST ESTIMATE									
PROSPECT : Hightower Devoni		WELL NAME State 27-1		DEPTH 10,000'		OPERATOR Tom Brown, Inc.		AFE NO. 0	
		LOCATION				DATE 01/23/06			
		COUNTY Lea	STATE New Mexico	Surf. Loc: 660' FNL & 660' FEL, Sec 27,		DRILLING SINGLE		X 0	P & A DUAL
		BHL Reef: Same				RECOMPLETION			WORKOVER
TANGIBLE WELL ITEMS									
DETAIL OF EXPENDITURES				DRY HOLE		COMPLETION		TOTAL	
CASING				300 06		300 30			
a	Conductor	0		\$0.00	\$0			\$0	
b	Surface	350	13-3/8", 48#, H40	\$35.00	\$12,250			\$12,250	
c	Intermediate	4000	8-5/8", 32 #, K55	\$28.00	\$112,000			\$112,000	
d	Drilling Liner	0		\$0.00	\$0			\$0	
e	Production Casing	10000	5-1/2", 17#, N80	\$16.00		\$160,000		\$160,000	
f					\$0	\$0		\$0	
TOTAL CASING					\$124,250	\$160,000		\$284,250	
Tubing				300 31		300 31			
a	Completion Tubing	10000	2-7/8", 6.5 L80	\$5.75		\$57,500		\$57,500	
b	Tubing Pup Joints					\$0		\$0	
TOTAL TUBING						\$57,500		\$57,500	
WELLHEAD				300 32		300 32			
a	Casing Head (Section A)		13-3/8" SOW X 11" 3000#		\$1,500	\$0		\$1,500	
b	Casing Spool (Section B)		11" 3000# X 7 1/16" 5000#		\$3,000	\$0		\$3,000	
c	Tubing Hanger (Section C)		7 1/16" 5000# X 2 7/8"		\$0	\$3,000		\$3,000	
d	Christmas Tree (Section D)				\$0	\$2,000		\$2,000	
TOTAL					\$4,500	\$5,000		\$9,500	
SEPARATOR/PRODUCTION UNIT/HEATER TREATER				300 33		300 33			
a	Separation Vessels					\$5,000		\$5,000	
c	Line Heater					\$0		\$0	
d	De-Hydrator					\$0		\$0	
e	Heater Treater					\$25,000		\$25,000	
f						\$0		\$0	
TOTAL						\$30,000		\$30,000	
FLOW LINES				300 34		300 34			
a	Line Pipe/Flowlines					\$2,500		\$2,500	
b	Misc Valves & Fittings					\$5,000		\$5,000	
						\$0		\$0	
						\$7,500		\$7,500	
BUILDINGS				300 35		300 35			
a						\$0		\$0	
TOTAL						\$0		\$0	
OTHER SURFACE FACILITIES				300 36		300 36			
a	Flare Stack					\$0		\$0	
b	Electrical Monitoring Equipment/Automation					\$0		\$0	
c	Meter Runs					\$3,000		\$3,000	
TOTAL						\$3,000		\$3,000	
ARTIFICIAL LIFT EQUIPMENT, PKRS, HANGERS				300 37		300 37			
a	Production Packers					\$0		\$0	
b	Downhole Accessories					\$5,000		\$5,000	
c	Liner Hangers & Accessories					\$0		\$0	
d	Pumping Unit & Motor					\$40,000		\$40,000	
e	Sucker Rods					\$30,000		\$30,000	
f	Downhole Pump					\$0		\$0	
TOTAL						\$75,000		\$75,000	
EQUIPMENT CONSTRUCTION LABOR				300 38		300 38			
a	Pipeline Installation					\$5,000		\$5,000	
b	Battery Installation (Flowlines, tanks, etc.)					\$10,000		\$10,000	
c						\$0		\$0	
TOTAL						\$15,000		\$15,000	
TANKS				300 39		300 39			
a	Tank Battery					\$20,000		\$20,000	
b	Production Tanks					\$0		\$0	
c	Saltwater Tank					\$10,000		\$10,000	
d						\$0		\$0	
TOTAL						\$30,000		\$30,000	
TOTAL TANGIBLES					\$128,750	\$383,000		\$511,750	
TOTAL INTANGIBLES					\$1,198,643	\$260,755		\$1,459,398	
TOTAL THIS AFE					\$1,327,393	\$643,755		\$1,971,148	
REMARKS: Drilling includes 3 DST's, acid stimulation for completion, facilities for a pumping well.									

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 13645 Exhibit No. 2  
Submitted by:  
RUBICON OIL & GAS, L.L.C.  
Hearing Date: January 5, 2006