

UNIT PETROLEUM COMPANY

407 N Big Spring St

Suite 101

Midland, TX 79701

(432) 685-9020


E/COST ESTIMATE

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

DISTRICT Midland	WELL NAME Monte Carlo Fed Com #1	FIELD Atoka Penn (Pro-Gas)	WI	BCP	ACP	PREPARED BY Matthew Doffer			
PROSPECT Monte Carlo	FOOTAGE FROM SECTION UNITS See Below	RANGE T18S-R26E	BLDCK	SURVEY	COUNTY Eddy	STATE New Mexico			
SECTION 1	PROPOSED TD 9,290 FT	WELL TYPE X	OIL	GAS	SWD	INI	OTHER	EXPLORE	AFE #
OBJECTIVE Morrow	ESTIMATED DAYS: 34 DRILLING 10 COMPLETION 44 TOTAL PURPOSE OF EXPENDITURE & WORK PROCEDURE: Drill a directional well, complete and equip a flowing Morrow gas well Surface Location: 2.385' FNL & 271' FEL, Sec 1 Bottom Hole Location: 1.845' FNL & 1.467' FEL, Sec 1								

CODE		CLASSIFICATION						ESTIMATE			
1626	1627	INTANGIBLES						DRILLING	COMPLETED	TOTAL	
(DRLG)	(CMPL)										
1	1	PERMITS	\$1,000	SURVEYS	\$1,200	ROW	DAMAGES	\$10,000	15,000	4,000	19,000
2	2	ROADS & LOCATION:	BUILD		\$0		CLEAN-UP	\$0	50,000	5,000	55,000
3	3	FOOTAGE DEPTH	0 FT @		\$0.00 /FT				0	0	0
4	4	DW DAYS	34 DAYS @	\$13,500 /DAY		5 days added for directional work, delays			459,000	40,000	499,000
5	5	MOBILIZE - RU - RD - DEMOBILIZE							60,000	8,000	68,000
6	6	FUEL/POWER							60,000	3,000	63,000
7	7	DRLG WATER		WATER WELL		COMP FLUID			30,000	5,000	35,000
8	8	CONTRACT LABOR/WELDING							8,000	3,000	11,000
9	9	BITS							45,000	2,000	47,000
10	10	DRLG FLUID	35000 AIR		CHEMICALS	3000			38,000	0	38,000
11	11	FORMATION TESTING		CORING		FLOW TESTS			5,000	5,000	10,000
12	12	OPENHOLE LOGGING & SURVEYS							24,000	0	24,000
13	13	CEMENT & SERVICES							30,000	22,000	52,000
14	14	NORMAL RENTALS & SERVICES:	\$25,000	DIRECTIONAL PACKAGE	\$80,000				105,000	20,000	125,000
15	15	CASED HOLE LOGGING		PERFORATING		WIRELINE			0	10,000	10,000
16	16	STIMULATION : ACID	10000	FRAC	180000	OTHER	10000			200,000	200,000
17	17	SUPPLIES, MATERIALS, & MISCELLANEOUS RENTALS							15,000	2,000	17,000
18	18	GEOLOGICAL		MUD LOGGING		OTHER PROF			20,000	0	20,000
19	19	WELL SUPERVISION : DRILLING				COMPLETION			35,000	10,000	45,000
20	20	OVERHEAD OR COMBINED RATE							8,000	4,000	12,000
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	5,000	15,000
24	24	TRUCKING & OTHER SERVICES							15,000	12,000	27,000
32	32	CLOSED MUD SYSTEM							30,000		30,000
40	40	SALVAGE EQUIPMENT							0	0	0
30	30	CONTINGENCIES	2%						21,600	6,900	28,500
TOTAL INTANGIBLE COSTS								\$1,098,600	\$351,900	\$1,450,500	
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	300 FT OF	13.375 INCH @ \$	36.96 PER FT			11,100		11,100	
103		INTERMEDIATE CSG	1,500 FT OF	9.625 INCH @ \$	27.12 PER FT			40,700		40,700	
104		PRODUCTION CSG	9,300 FT OF	5.500 INCH @ \$	14.41 PER FT				134,100	134,100	
105		LINER CSG	0 FT OF	0.000 INCH @ \$	0.00 PER FT				0	0	
106		TUBING	9,200 FT OF	2.375 INCH @ \$	4.73 PER FT				43,600	43,600	
107		SUCKER RODS	FT OF	0.000 INCH @ \$	0.00 PER FT				0	0	
108		SH PUMP*		GAS LIFT	TBG ANC	OTHER			0	0	
109	109	WELLHEAD : CASING HEAD			TREE			7,000	12,000	19,000	
110		ARTIFICIAL LIFT			PRIME MOVER				0	0	
111		PACKERS & SUBSURFACE TOOLS							12,000	12,000	
112		INSTALLATION COSTS							15,000	15,000	
121		TANKS & ACCESSORIE							25,000	25,000	
122		PRODUCTION UNIT	20000	DEHYDRATOR					20,000	20,000	
123		HEATER TREATER		SEPARATOR					5,000	5,000	
124		ELECTRICAL SYSTEMS & LINES							0	0	
125		LEASE LINES							0	0	
126		CONTROLLABLE VALVES & FITTING							10,000	10,000	
127		OTHER EQUIPMENT							5,000	5,000	
128		NON-CONTROLLABLE LEASE MATERIAL							5,000	5,000	
129		INSTALLATION COSTS							10,000	10,000	
131		LINE PIPE							10,000	10,000	
132		METERING EQUIPMENT							3,000	3,000	
TOTAL TANGIBLES								\$63,600	\$309,700	\$373,300	
TOTAL INTANGIBLES								\$1,098,600	\$351,900	\$1,450,500	
TOTAL WELL COSTS								\$1,162,200	\$661,600	\$1,823,800	

UNIT PETROLEUM APPROVALS

APPROVED BY 	TITLE Vice President	DATE 9/29/05	COMPANY UNIT PETROLEUM COMPANY
PARTNER APPROVALS			
APPROVED BY	TITLE	DATE	COMPANY