



September 24, 2018

Via Certified Mail, Return Receipt Requested

No. 91 7199 9991 7038 7772 2555

David Catanach, Director

Oil Conservation Division

New Mexico Department of Energy, Minerals & Natural Resources

1220 South Saint Francis Drive

Santa Fe, NM 87505

Re: Order No. R-14863
Big Papi Fed Com #12H
W2E2 Sections 4 & 9, T26S-R29E
Eddy County, New Mexico

*Call
16323*

Mr. Catanach:

Pursuant to Paragraph 10 of the above-referenced compulsory pooling order, please find enclosed an itemized schedule of estimated well costs for the Big Papi Fed Com #12H (API No. 30-015-43779). We have also notified the known pooled working interest owners.

Should you have any questions, please do not hesitate to contact me at aroush@concho.com or 432.818.2358.

Sincerely,

COG Operating LLC

Ashley Roush

Ashley Roush, RPL
Senior Landman

AR:bh

Enc

COG OPERATING LLC
AUTHORITY FOR EXPENDITURE
Drill & Complete

Copy

Well Name	BIG PAPI FEDERAL COM 12H	Prospect	#717049 ATLAS 2629
SHL	SEC 4- 200 FNL & 2060 FEL	State & County	NEW MEXICO, EDDY
BHL	SEC 9- 330 FSL & 1980 FEL	Objective	DRILL & COMPLETE
Formation	2ND BONE SPRING	Depth	18,400
Legal	4-26S-29E	TVD	8,685
A/E Numbers	DRAFT-002039, DRAFT-002042, DRAFT-002043, DRAFT-002044, DRAFT-002045, DRAFT-002046		

Cost Description	Code	PreSpud (PS)	Drilling (DR)	Completions (C)	Tank Btty Constrctn (TB)	Pmpq Equip (PEQ)	Revision	Total
Tangible Costs								
D-Surface Casing	401		\$13,000.00				\$0.00	\$13,000.00
D-Intermed Csg	402		\$64,000.00				\$0.00	\$64,000.00
D-Production Casing/Liner	403		\$265,000.00				\$0.00	\$265,000.00
D-Wellhead Equip	405		\$25,000.00				\$0.00	\$25,000.00
C-Tubing	504			\$38,500.00			\$0.00	\$38,500.00
C-Wellhead Equip	505			\$13,200.00			\$0.00	\$13,200.00
PEQ-Pumping Unit	506					\$96,000.00	\$0.00	\$96,000.00
PEQ-Rods	508					\$35,000.00	\$0.00	\$35,000.00
TB-Tanks	510				\$138,000.00		\$0.00	\$138,000.00
TB-Flowlines/Pipelines	511				\$250,000.00		\$0.00	\$250,000.00
TB-Htr Trtr/Seprtr	512				\$192,000.00		\$0.00	\$192,000.00
TB-Electrical System/Equipment	513				\$300,000.00		\$0.00	\$300,000.00
C-Pckrs/Anchors/Hgrs	514			\$65,000.00			\$0.00	\$65,000.00
TB-Couplings/Fittings/Valves	515				\$380,000.00		\$0.00	\$380,000.00
TB-Gas Lift/Compression	516				\$35,000.00		\$0.00	\$35,000.00
TB-Pumps-Surface	521				\$31,250.00		\$0.00	\$31,250.00
TB-Meters/Lacts	525				\$35,750.00		\$0.00	\$35,750.00
TB-Flares/Combustors/Emission	526				\$62,500.00		\$0.00	\$62,500.00
C-Gas Lift/Compression	527			\$10,000.00			\$0.00	\$10,000.00
PEQ-Instrumentation/SCADA/POC	529					\$7,000.00	\$0.00	\$7,000.00
PEQ-Tubing	530					\$5,000.00	\$0.00	\$5,000.00
PEQ-Wellhead Equipment	531					\$3,000.00	\$0.00	\$3,000.00
PEQ-Pumps	532					\$5,000.00	\$0.00	\$5,000.00
PEQ-Electrical System	533					\$15,000.00	\$0.00	\$15,000.00
PEQ-Packers/Anchors/Hangers	534					\$2,000.00	\$0.00	\$2,000.00
PEQ-Miscellaneous	535					\$3,000.00	\$0.00	\$3,000.00
Total Tangible Costs		\$0.00	\$367,000.00	\$126,700.00	\$1,424,500.00	\$171,000.00	\$0.00	\$2,089,200.00

Intangible Costs								
PS-Title/Permits	201	\$20,000.00					\$0.00	\$20,000.00
D-Insurance	202	\$2,500.00					\$0.00	\$2,500.00
PS-Damages/ROW	203	\$20,000.00					\$0.00	\$20,000.00
PS-Survey/Stake Lctn	204	\$7,000.00					\$0.00	\$7,000.00
D-Lctn/Pits/Roads	205		\$10.00				\$0.00	\$10.00
D-Turnkey Contract	207		\$20,000.00				\$0.00	\$20,000.00
D-Footage Contract	208		\$2,500.00				\$0.00	\$2,500.00
D-Daywork Contract	209		\$20,000.00				\$0.00	\$20,000.00
D-Directional Drllg Services	210		\$7,000.00				\$0.00	\$7,000.00
D-Fuel & Power	211		\$135,000.00				\$0.00	\$135,000.00
D-Water	212		\$11,500.00				\$0.00	\$11,500.00
D-Drill Stem Test	215		\$581,000.00				\$0.00	\$581,000.00
D-Coring & Analysis	216		\$228,000.00				\$0.00	\$228,000.00
D-Cement Surface	217		\$125,000.00				\$0.00	\$125,000.00
D-Cement Intermed	218		\$35,000.00				\$0.00	\$35,000.00
D-Prod-2nd Int Cmt	219		\$174,000.00				\$0.00	\$174,000.00
D-Csg Crews & Equip	222		\$16,000.00				\$0.00	\$16,000.00
D-Fshg Tools & Svc	223		\$40,000.00				\$0.00	\$40,000.00
D-Geologic/Engng	224		\$38,000.00				\$0.00	\$38,000.00
D-Contract Labor	225		\$55,000.00				\$0.00	\$55,000.00
D-Contract Servsn	227		\$20,000.00				\$0.00	\$20,000.00
D-Tstg Csg/Tbg	228		\$45,000.00				\$0.00	\$45,000.00
D-Perf/Wireline Svc	231		\$15,000.00				\$0.00	\$15,000.00
D-Rentals-Surface	235		\$41,400.00				\$0.00	\$41,400.00
D-Rentals-Subsrfc	236		\$82,000.00				\$0.00	\$82,000.00
D-Trucking/Forklift/Rtg Mob	237		\$35,000.00				\$0.00	\$35,000.00
D-Welding Services	238		\$30,000.00				\$0.00	\$30,000.00
D-Plug to Abandon	240		\$4,000.00				\$0.00	\$4,000.00
D-Seismic Analysis	241		\$140,000.00				\$0.00	\$140,000.00
D-Miscellaneous	242		\$110,000.00				\$0.00	\$110,000.00
D-Contingency	243		\$180,000.00				\$0.00	\$180,000.00
D-Envrnmntl/Clsd Loop	244		\$3,500.00				\$0.00	\$3,500.00
C-Lctn/Pits/Roads	305			\$12,200.00			\$0.00	\$12,200.00
C-Frac Equipment	307			\$1,916,000.00			\$0.00	\$1,916,000.00
C-Frac Chemicals	308			\$724,000.00			\$0.00	\$724,000.00
C-Frac Proppant	309			\$1,225,000.00			\$0.00	\$1,225,000.00
C-Frac Proppant Transportation	310			\$154,000.00			\$0.00	\$154,000.00
C-Fuel & Power	311			\$6,000.00			\$0.00	\$6,000.00