

Oxy USA WTP LP
Authorization for Expenditure Form

DATE PREPARED: 06/14/2005 0:00

RMT/PMT Frontier

Control No. 7853

PROJECT NAME: Drill & Equip OXY Senita State #1

LEASE/UNIT: OXY Senita State #1

OPERATOR: Oxy USA WTP LP

LEGAL LOCATION: 1800' FNL, 1070' FWL, Sec. 4 T19S, R28E, Eddy Co., NM

BUDGET CATEGORY: Exploitation

PROJECT DESCRIPTION:

It is proposed to drill and equip the OXY Senita State #1 as a Morrow producer in Eddy County, New Mexico. Your approval is requested.

ACCOUNTING USE ONLY:

Lease/Pit Name: OXY Senita State #1
AFE Type: O&E O&G WELL
Production Coordinator No.: 14201441
State/County: New Mexico/Eddy
Operator Name: Oxy USA WTP LP
Lease/Plant CC: _____
Company/Division No.: 24177
Oxy Wt. (%): 25.0000
AFE Category: Original
Project AFE No.: 99104056
Organization Rollup Key: NRC
Overhead Type: Drilling
OSI INPUT ONLY:
Oracle AFE No.: _____

COMPLETE FOR NEW WELLS:

☒ PRODUCER ☐ OR. WELL ☐ WATER DISPOSAL
☐ DEVELOPMENT WELL ☐ GAS WELL
☐ SINGLE COMPLETION ☐ EXPLORATORY WELL
☐ DUAL COMPLETION
Regulatory Horizon Name: _____
Regulatory District Number: _____

PROJECT QUALIFIED FOR EOR TAX CREDITS? ☐ YES ☐ NO

IF YES, WHAT % QUALIFIES? _____

EXPENSE/CAPITAL/ PXA	DESCRIPTION	ESTIMATED COST	
		100%	OXY NET
CAPITAL CAPITAL	TANGIBLES	\$404,250	\$101,063
	INTANGIBLES	\$1,731,500	\$432,875
TOTAL PROJECT COST		\$2,135,750	\$533,938

PROJECT CONTACTS:	NAME	TITLE	PHONE NUMBER
	<u>Scott Gengler</u>	<u>Production Engineer</u>	<u>686-5625</u>
	<u>David Evans</u>	<u>Land</u>	<u>685-5769</u>
	<u>Bob Doty</u>	<u>Geology</u>	<u>685-5681</u>

PROJECT APPROVED BY: _____
(signature)

APPROVAL: YES _____ NO _____

Company Name: _____

BY: _____ DATE _____

(print name)

BY: _____

(signature)

NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. Nonoperators should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 13718 Exhibit No. 4
Submitted by:
OXY USA WTP LIMITED PARTNERSHIP
Hearing Date: June 22, 2006

Requested By: Bob Doty
Prepared By: Joe Fleming

OXY USA INC.
DETAILED WELL ESTIMATE

LEASE - WELL NO. _____ Oxy Senita State #1
LOCATION 1800' FNL, 1070' FWL
S 4 T 19S R 28E COUNTY Eddy STATE New Mexico DATE: 13-Jan-06
DEPTH: 11400'
AFE NO. _____

DESCRIPTION	GRADE	\$/FT	QUAN.	W	ESTIMATE PRODUCER	ESTIMATE DRY HOLE	ACTUAL COST
TANGIBLES							
Casing							
Surface: 13-3/8", 48#, H-40	A	29.00	450		13,050	10,906	
Intermediate: 9-5/8", 36#, K-55	A	24.00	3000		72,000	47,700	
Production: 5-1/2", 17#, P-110/S	A	13.50	11400		153,900		
Wellhead Connections					20,000		
Tubing 2-7/8", 6.5#, N-80	A	5.25	11200		58,800		
Line Pipe & Fittings					7,500		
Packer and Accessories					9,000		
TANK BATTERY							
Stock Tanks 2 500 bbl	A				20,000		
Separator, Heater Treater, Dehydrator	A				25,000		
Meter Run & Housing	A				5,000		
Labor & Transportation					20,000		
Total Tangibles					404,250	58,606	
INTANGIBLES							
Contract Drilling Labor					742,500	742,500	
Drilling Consultants					45,000	45,000	
Mobilization					45,000	45,000	
Service Rig Work					24,000		
Subsurface Casing Equipment					10,000	6,500	
D.S.T., Electric, Radioactivity Logs, etc.					30,000	30,000	
Acidizing, Fracing					135,000		
Perforating					20,000		
Misc. Company & Contract Labor					75,000	50,000	
Road Building, Location					25,000	25,000	
Cement & Cementing Services					55,000	35,000	
Cement Squeeze Jobs							
Drilling Mud, Chemicals					50,000	50,000	
Diamond Coring & Analyses, Bits, Reamers					45,000	45,000	
Mud Logging Unit					20,000	20,000	
Rental of Miscellaneous Equipment					92,000	75,000	
Contract Hauling					35,000	25,000	
Water, Fuel					130,000	130,000	
Miscellaneous Incidentals					150,000	150,000	
Archeological Services					3,000	3,000	
Total Intangibles					1,731,500	1,477,000	
Total Estimated Cost - 100%					2,135,750	1,535,606	