

**COLEMAN OIL GAS, INC.  
AUTHORITY FOR EXPENDITURE**

<b>OPERATOR: COLEMAN OIL &amp; GAS INC.</b>		<b>JUNIPER MONUMENT #1 (P &amp; A MESAVERDE FORMATION)</b>	
<b>WELL: JUNIPER MONUMENT #1</b>			
<b>FORMATION: BLANCO MESA VERDE</b>			
<b>TOTAL DEPTH:</b>		<b>SEC 16, T24N, R10W SAN JUAN COUNTY, NM</b>	
Intangible Costs	Dry Hole	Producer	Total
Permit, surveying	1000.00		1000.00
Surface Damages, ROW	20000.00		20000.00
Roads, Location, Pits, etc.	6500.00		6500.00
Drilling: Footage Contract			0.00
Daywork Contract	49000.00		49000.00
Turnkey Contract			0.00
Rig Mobilization	7500.00		7500.00
Fuel, Lubs, Boiler			0.00
Completion Rig			0.00
Mud & Chemicals, Completion Fluids	10000.00		10000.00
Water, Water Hauling	5000.00		5000.00
Transportation/Trucking	5000.00		5000.00
Bits, Reamers, Stabilizers	4500.00		4500.00
Coring Services			0.00
Drill Stem Testing			0.00
Equipment Rental	7500.00		7500.00
Special Services & Equipment			0.00
Directional Drilling & Equipment			0.00
Contract Labor	5000.00		5000.00
Mud Logging & Geological Services			0.00
Cementing Service & Equipment	18000.00		18000.00
Logging Service & Equipment			0.00
Perforating			0.00
Stimulation Service and Equipment			0.00
Wellsite Supervision	3500.00		3500.00
Abandonment Expense			0.00
Legal Expense, Well Control Insurance			0.00
Acquisition			0.00
Contingency 10%	14250.00	0.00	14250.00
TOTAL INTANGIBLE COST	156750.00	0.00	156750.00
TANGIBLE COST			
TUBULARS:			
Conductor			0.00
Surface 8 5/8" 24#/FT J-55 ST&C			0.00
Intermediate			0.00
Liner			0.00
Production 5 1/2" 15.50#/FT J-55 LT&C			0.00
Tubing 2 7/8" 6.5#/FT J-55 EUE 8 RD.			0.00
PRODUCTION FACILITIES:			0.00
Tanks			0.00
Separator			0.00
Heaters/Treaters			0.00
Dehydrator			0.00
Buildings / Disposal Plant			0.00
Flowline/Pipeline			0.00
Valves & Fittings			0.00
ARTIFICIAL LIFT EQUIPMENT			0.00
Filtration Unit			0.00
Foundation/Base			0.00
Prime Mover			0.00
Sucker Rods			0.00
Bottom Hole Pump			0.00
Wellhead Equipment			0.00
Packers/Anchor, etc.			0.00
Other Equipment			0.00
Non-Controllable Material			0.00
Contingency 10%	0.00		0.00
			0.00
			0.00
TOTAL TANGIBLE COST	0.00	0.00	0.00
TOTAL WELL COST	\$156,750.00	\$0.00	\$156,750.00

PREPARED BY MICHAEL T. HANSON  
This AFE is based on cost estimates, billing will reflect your proportionate share of actual invoice costs

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 13812 Exhibit No. 9  
Submitted by:  
**COLEMAN OIL & GAS, INC.**  
Hearing Date: **November 9, 2006**