

ESTIMATED WELL COST (100%)

LEASE: White Wing 22 Federal

WELL NO: 13

AFE NO: 1392

LOCATION: C-NW-SW Sec 22-T22S-R26E

PROP. NO:

FIELD: Happy Valley (Morrow) COUNTY: Eddy

STATE: New Mexico

DISTRICT: Western

PURPOSE: To drill and equip an 11,800' Morrow Test

CODE	INTANGIBLE DRILLING COST	ESTIMATED COSTS		
		Dry Hole	Completion	Total
151-102	Location & Roads, Including Damages	\$15,000	\$0	\$15,000
151-110	Moving Rig	\$0	\$0	\$0
151-111	Drilling: 9,000 ft @ \$23.25	\$209,250	\$0	\$209,250
151-112	Day Work: 18 days @ \$5,500.00	\$99,000	\$11,500	\$110,500
151-113	Conductor, Rat & Mouse Holes	\$4,000	\$0	\$4,000
151-114	Drilling Bits	\$27,000	\$0	\$27,000
151-115	Drilling Water & Fuel, Including Lines	\$7,000	\$3,000	\$10,000
151-118	Drilling Mud, Additives, Mud Oil, Etc.	\$25,000	\$0	\$25,000
151-132	Drilling and Completion Insurance	\$4,200	\$0	\$4,200
151-133	Environmental Protection	\$0	\$0	\$0
151-180	Safety	\$0	\$0	\$0
151-126	Open Hole Logging	\$24,000	\$0	\$24,000
151-152	Mud Logging	\$12,500	\$0	\$12,500
151-153	Open Hole Testing/Coring	\$8,000	\$0	\$8,000
151-121	Hauling and Trucking	\$2,000	\$2,000	\$4,000
151-122	Welding	\$500	\$200	\$700
151-123	Rental Equipment & Fishing Tools	\$15,000	\$5,000	\$20,000
151-124	Special Services & Misc. Items	\$5,000	\$2,500	\$7,500
151-160	Comp. Rig: 5 days @ \$2,000	\$0	\$10,000	\$10,000
151-164	Cased Hole Logging, Perforating, & Wireline	\$0	\$8,000	\$8,000
151-165	Acidizing, Fracturing, Chemicals	\$0	\$75,000	\$75,000
151-166	CO2/Nitrogen	\$0	\$0	\$0
151-168	Non-Retrieveable Equipment	\$0	\$16,000	\$16,000
151-125	Roustabout Labor & Services	\$500	\$5,000	\$5,500
151-127	Casing Crews & Service	\$2,000	\$1,200	\$3,200
151-161	Frac Pit, Liner, Water, & Disposal	\$0	\$0	\$0
151-128	Surface Casing Cementing	\$8,000	\$0	\$8,000
151-129	Intermediate Casing Cementing	\$10,000	\$0	\$10,000
151-130	Production Casing Cementing	\$18,000	\$0	\$18,000
151-131	Liner Cementing	\$0	\$9,000	\$9,000
151-172	Cementing Hardware	\$5,000	\$2,000	\$7,000
151-173	Other Cementing Related Services	\$0	\$0	\$0
151-150	Administrative Overhead	\$6,500	\$1,100	\$7,600
151-151	Supervision, Including Consulting	\$17,200	\$2,800	\$20,000
151-103	Legal & Land Services	\$5,000	\$1,000	\$6,000
	TOTAL INTANGIBLE WELL COST	\$629,650	\$155,300	\$684,950
	TANGIBLE WELL COST			
	Casing Aml. Size Cost/Ft			
152-235	Surface 500 ft 13 3/8" \$18.50	\$9,250	\$0	\$9,250
152-236	Intermediate 1,700 ft 9 5/8" \$12.50	\$21,250	\$0	\$21,250
152-237	Production 9,000 ft 7" \$10.50	\$94,500	\$0	\$94,500
152-238	Liner 3,050 ft 4 1/2" \$10.00	\$0	\$28,000	\$28,000
152-240	Tubing 11,700 ft 2-3/8" \$3.77	\$0	\$44,200	\$44,200
152-260	Wellhead Equipment & 2 7/8"	\$1,200	\$7,500	\$8,700
152-250	Retrieveable Equipment	\$0	\$5,000	\$5,000
152-211	Flowlines & Connections	\$0	\$5,000	\$5,000
152-215	Storage Tanks & Separation Equipment	\$0	\$15,000	\$15,000
152-220	Pumping Unit	\$0	\$0	\$0
152-225	Pump Engine	\$0	\$0	\$0
152-245	Sucker Rods, Bottom Hole Pump, & Other	\$0	\$0	\$0
	TOTAL TANGIBLE WELL COSTS	\$126,200	\$104,700	\$230,900
	TOTAL WELL COST	\$655,850	\$260,000	\$915,850

The Above Costs Are Estimates Only. Actual Costs Will Be Billed As Incurred.

Prepared By: Kent Sams *Kent Sams*

Date: 03/04/97

LDNGC APPROVAL

NON-OPERATOR APPROVAL

Approved By: *R. K. Irani*
R. K. Irani, Exec. Vice-PresidentApproved By: _____
Title: _____

Date: 3/11/97

Date: _____

EXHIBIT 9

CASE NO. 11858