

ENRON
Oil & Gas Company
Drilling AFE

MIDLAND DIVISION

Revised March 97

AFE Type Wildcat (31) X Development (32)

AFE No.	101537
Property No.	040032-000
Enron W. I.	50.00000%
Enron AFE Amt: (Drig)	\$279,300
(Completion)	\$188,750
Total Well Cost	\$468,050
AFE Date	4/21/98
Budget Year	1998

Re-Entry Oil X Gas High Cost Gas

Well Name & No. STW "Z" State Com No. 1	Prospect Name Sand Tank, West	Total Depth 11,700'	Spud Date
Location 1,650' FNL & 1,650' FWL	Sec-1/4m-Ring Sec 2-18S-29E	Producing Horizon Lower Morrow	DD&A Field Sand Tank
Operator Enron Oil & Gas Company	County & State Eddy, New Mexico	Regulatory Field Grayburg (Morrow)	
AFE Description To drill and complete an 11,700' Lower Morrow/Chester gas well.			

DESCRIPTION	SUB ACT	DRILLING 230	COMPLETION 231	TOTAL
Access, Location & Roads	401	\$20,000	\$2,000	\$22,000
Rig Move	402	35,000		35,000
Footage Cost /Ft	403			-
Day Work Cost 28/3 days @ \$ 6,200	404	173,800	18,800	192,200
Bits, Reamers & Stabilizers	405	40,000		40,000
Fuel	406	500		500
Water	407	18,000	3,000	21,000
Mud & Chemicals	408	41,000	3,000	44,000
Cementing & Service	409	23,000	18,000	41,000
Coring	410	18,000		18,000
Logging & Testing	411	38,000	5,000	41,000
Mud Logging	412	12,500		12,500
Perforating	413		25,000	25,000
Stimulation	414		23,000	23,000
Transportation	415	5,500	4,000	9,500
Overhead days @ \$	416	8,600		8,600
Equipment Rental	417	8,000	3,000	9,000
Completion Rig days @ \$	418		9,800	9,800
Other Expense	419	22,000	7,000	29,000
Fishing & Equip. lost in hole	420			-
Environmental & Safety Charges	421	3,600	5,000	8,600
Directional Drilling	422			-
Equipment Usage	423			-
Supervision	424	17,000	2,800	19,800
Communications	431	2,000		2,000
MWD Logging	432			-
Tubular Inspection / Handling	436	10,000		10,000
Wireline Service	442			-
Coiled Tubing Unit / Nitrogen	445			-
Completion Fluids	448			-
TOTAL INTANGIBLES		\$490,300	\$129,200	\$619,500

	FEET	SIZE	GRADE	S/FT.				
Conductor Casing	40	20			101	\$1,000		\$1,000
Surface Casing	650	11-3/4	H-40	16.08	102	10,800		10,800
Intermediate Casing	4000	8-5/8	J	12.37	103	49,500		49,500
Intermediate Casing					103			-
Drilling Liner					103			-
Production Casing/Liner	12050	5-1/2	N-S	8.80	104		106,100	106,100
Tie-Back Casing					104			-
Tubing	11600	2-7/8	N	3.59	106		41,700	41,700
Tubing					106			-
Well Head Equipment and Tree					107	7,000	25,000	32,000
Tanks					108		25,000	25,000
Flow Lines					109		5,000	5,000
Valves & Fittings					110		7,500	7,500
Rods					111			-
Pumping Equipment - Surface					112			-
Production Equipment - Subsurface					113			-
Engines & Motors					114			-
Heater-Treater & Separators					115		25,000	25,000
Other Equipment					116			-
Buildings					117			-
Metering Equipment					118			-
Non-Controllable Equipment					119		3,000	3,000
Liner Equipment					120			-
Construction Cost					122		10,000	10,000
TOTAL TANGIBLES						\$68,300	\$248,300	\$316,600
TOTAL WELL COST						\$558,600	\$377,500	\$936,100

ENRON APPROVAL

Division		Date		By		Date		Headquarters		Date	
By	W.D. Smeltzer		04/21/98	By	Daryl L. Thomas		4/22/98	By			
By				By				By			

JOINT OPERATOR APPROVAL

Firm		By		Title		Date	
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**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 12005 Exhibit No. 3

Submitted by: Enron Oil & Gas Company

Hearing Date: July 9, 1998