

VAIN OIL & GAS, ROBERTI
 AUTHORITY for EXPENDITURE
 JUNE 29, 1999

COUGAR COM 33 #1 NWSE Sec 33, T26N, R2W	DRY HOLE	COMPLETED WELL
Drilling Intangibles		
Title Work & Survey	3,500	3,500
Location, Road, Damages	20,000	20,000
Footage 8400' @ \$16.00/ft	134,400	134,400
Daywork 1.5 days @ \$5500/day	8,250	8,250
Mud Logging	12,000	12,000
Water Hauling	12,000	12,000
Rental Equipment	1,800	1,800
Well Logging	20,000	20,000
Drilling Mud	55,000	55,000
Cement & Services..Cond, Surface	8,000	8,000
Cement & Services..Plugging	10,000	
Trucking & Labor	10,000	10,000
Overhead & Supervision	10,000	10,000
Misc Costs	12,000	12,000
Contingency		
Total Drilling	316,950	306,950

Completion Intangibles		
Cement & Services..Production Casing		35,000
Completion Unit 6 days @ \$2,500/day		15,000
Logging & Perforating		11,500
Stimulation		70,000
Tool & Tank Rental		9,000
Supervision 8 days @ \$650/day		5,200
Water		8,500
Trucking		9,500
Roustabouts/Labor 7 days @ \$2000/day		14,000
Specialized Tools		4,500
5% Contingency		9,110
Total Completion	0	191,310

Total Intangibles 316,950 498,260

Tangibles		
Casing..Surface 500' 9 5/8" @ \$11.60/ft.	5,800	5,800
Casing..Production 8400' 5 1/2" @ \$7.33/ft.		61,570
Casing..Liner		
Liner Hanger		
Float Equipment	1,500	8,000
Tubing..8400' 2 3/8" @ \$2.00/ft		16,800
Wellhead	1,500	8,500
Tanks & Pits		12,500
Separator Pumping Unit, Engine, Rods & Other Equipment		90,000
Line Pipe & Fittings		8,000
Total Tangibles	8,800	211,170

Total Well Cost \$325,750 \$709,430

APPROVALS:

McElvain Oil & Gas Properties, Inc.

Date:

9-3-99

Investor Approval:

Date:

Approved by: _____

Title: _____

BEFORE THE OIL CONSERVATION DIVISION

Company: _____

Santa Fe, New Mexico