

OIL _____

DEVON ENERGY CORPORATION

TEL 405-235-3611

GAS X _____

20 N. BF WAY, SUITE 1500, OKLAHOMA CITY, OK 73102

FAX 405-552-4550

DATE _____

11/12/99

**AUTHORIZATION FOR EXPENDITURE
DRILLING/COMPLETION COST ESTIMATE**

DRILLING _____

RECOMPLETION _____

AFE No.:

Lease Name - Well #: Logan Draw 30 "G" Fed. Com. #1

Legal Description: 1980' FNL & 1650' FEL,

Sec. 30, T17S, R27E.

County or Parish, State: Eddy County, NM

Field: Logan Draw (Morrow)

Prepared By: W.M. Frank

AUTHORITY REQUESTED FOR: Monies to drill and complete a 9,400' Morrow well.

Account Number	Intangible Costs Description	Dry Hole Costs	Completion Costs	Total Costs
SITE PREPARATION				
011	LAND AND LEGAL	5,000	2,000	7,000
012	SURFACE DAMAGES / RIGHT OF WAY	5,000	2,500	7,500
013	LOCATION, ROADS, PITS, FENCES	15,000	2,000	17,000
019	OTHER SITE PREPARATION			0
DRILLING CONTRACTOR SERVICES				
041	TURNKEY DRILLING COSTS			0
042	FOOTAGE	159,800		159,800
043	DAYWORK	10,000	10,000	20,000
044	MOBILIZATION / DEMOBILIZATION			0
049	OTHER DRILLING CONTRACTOR SERVICES			0
MATERIALS AND SUPPLIES				
101	DRILL BITS		500	500
102	DRILLING MUD, CHEMICALS, COMPLETION FLUIDS	30,000		30,000
103	RENTAL TOOLS & EQUIPMENT	15,000	3,000	18,000
109	OTHER MATERIALS AND SUPPLIES	2,500	7,500	10,000
GENERAL SERVICES				
201	WELDING & ROUSTABOUT	4,000	6,000	10,000
202	DIRT WORK & HEAVY EQUIPMENT			0
203	TRUCKING & HOTSHOT		4,000	4,000
204	PIPELINE INSTALLATION			0
209	OTHER GENERAL SERVICES		2,500	2,500
SPECIALIZED SERVICES				
251	CEMENT AND CEMENTING SERVICES	10,000	25,000	35,000
253	P&A COSTS	10,000	-10,000	0
255	LOGGING, PERFORATING & WIRELINE	30,000	5,000	35,000
257	OPEN HOLE EVALUATION	12,500		12,500
259	CASING & TUBULAR SERVICES	1,500	8,000	9,500
261	FLUID SERVICES			0
263	SALT WATER DISPOSAL			0
265	STIMULATION & GRAVEL PACK		120,000	120,000
267	OFFSHORE TRANSPORTATION			0
269	CONSULTANTS			0
271	FISHING SERVICES			0
273	TESTING SERVICES	4,000	2,500	6,500
299	OTHER SPECIALIZED SERVICES	1,000	300	1,300
POWER, FUEL, AND WATER				
301	POWER & FUEL			0
302	WATER	15,000	2,000	17,000
COMPLETION AND CLEANUP				
501	PULLING & SWABBING UNIT		19,500	19,500
502	SNUBBING UNIT & COILED TUBING			0
503	BACKFILL PITS / RESTORE LOCATION			0
509	OTHER COMPLETION & CLEANUP		3,500	3,500
ENVIRONMENTAL & SAFETY				
551	ENVIRONMENTAL RESTORATION			0
552	SAFETY EQUIPMENT			0
553	ENVIRONMENTAL & SAFETY TRAINING			0
554	ENVIRONMENTAL & SAFETY FINES			0
559	ENVIRONMENTAL & SAFETY MISCELLANEOUS			0
MISCELLANEOUS				
711	COMPANY SUPERVISION	15,000	4,500	19,500
721	DRILLING OVERHEAD	5,000	2,500	7,500
731	CONSTRUCTION OVERHEAD			0
741	WELL CONTROL INSURANCE	4,700		4,700
802	GENERAL LABOR			0
831	VEHICLE EXPENSE			0
861	DISTRICT & FIELD OFFICE EXPENSE	6,000	2,000	8,000
865	COMPANY BENEFITS			0
895	TAXES			0
TOTAL INTANGIBLES		\$361,000	\$224,800	\$585,800

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RECOMPLETION _____

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County or Parish, State: Eddy County, NM

Field: Logan Draw (Morrow)

Prepared By: W.M. Frank

AUTHORITY REQUESTED FOR: Monies to drill and complete a 9,400' Morrow well.

Account Number	Tangible Costs Description	Dry Hole Costs	Completion Costs	Total Costs
207				
WELL EQUIPMENT				
895	TAXES			0
901	SURFACE CASING			0
902	INTERMEDIATE CASING	22,400		22,400
903	PRODUCTION CASING		79,900	79,900
911	LINER			0
915	TUBING		31,434	31,434
921	SUCKER RODS			0
925	SUBSURFACE EQUIPMENT			0
931	WELLHEAD VALVES & EQUIPMENT	1,500	10,000	11,500
935	ARTIFICIAL LIFT EQUIPMENT			0
941	TANKS		10,000	10,000
945	TREATING VESSELS		12,000	12,000
951	COMPRESSORS			0
955	WATER DISPOSAL PUMPS			0
961	LINE PIPE, METERS & FITTINGS		2,500	2,500
985	OTHER TANGIBLE EQUIPMENT - SUBSURFACE		5,000	5,000
986	OTHER TANGIBLE EQUIPMENT - SURFACE			0
990	MATERIAL TRANSFER - SUBSURFACE			0
991	MATERIAL TRANSFER - SURFACE			0
TOTAL TANGIBLES		\$23,900	\$150,834	\$174,734
Contingencies		\$36,100	\$21,480	57,580
TOTAL ESTIMATED COSTS		\$421,000	\$397,114	\$818,114

Note: Costs and participations are generally estimates. Billings will be based on actual expenditures.

WORKING INTEREST OWNER APPROVAL

Company Name: _____

Signature: _____

Title: _____

Date: _____