

Nearburg Producing Company

Exploration and Production
Dallas, Texas

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AUTHORITY FOR EXPENDITURE

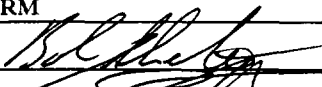

LEASE: Pathfinder 29 State WELL NUMBER: 1 PBTD: 11,000'
LOCATION: 1,980' FNL & 660' FEL, Section 29, T18S, R28E, Eddy County NM
FIELD: Wildcat Morrow EXPLORATORY, DEVELOPMENT, WORKOVER: E
DESCRIPTION OF WORK: Drill and complete as a flowing Morrow gas producer.

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DATE PREPARED: 4/6/00 EST. START DATE: 7/1/2000 EST. COMPLETION DATE: 8/15/2000
ACCOUNTING WELL NUMBER:
COMMUNICATIONS ACCOUNT NUMBER:

TANGIBLE COSTS:			TO CSG PT	COMPLETION	TOTAL WELL
Conductor Casing	0 Ft @	0.00 \$/Ft	0	0	0
Surface Csg	400 Ft @	24.00 \$/Ft	9,600	0	9,600
Intermediate Csg	2,900 Ft @	14.00 \$/Ft	40,600	0	40,600
Protection Csg	0 Ft @	0.00 \$/Ft	0	0	0
Production Csg	11,000 Ft @	10.00 \$/Ft	0	110,000	110,000
Protection Liner	0 Ft @	0.00 \$/Ft	0	0	0
Production Liner	0 Ft @	0.00 \$/Ft	0	0	0
Tubing	10,800 Ft @	3.25 \$/Ft	0	35,100	35,100
Rods	0 Ft @	0.00 \$/Ft	0	0	0
Artificial Lift Equipment			0	0	0
Tank Battery			0	10,600	10,600
Separators/Heater Treater/Gas Units/FWKO			0	12,720	12,720
* Well Head Equipment & Christmas Tree			2,500	11,500	14,000
Subsurface Well Equipment			0	6,148	6,148
Flow Lines			0	13,250	13,250
Saltwater Disposal Pump			0	0	0
Gas Meter			0	1,484	1,484
Lact Unit			0	0	0
Vapor Recovery Unit			0	0	0
Other Well Equipment			0	0	0
ROW and Damages			0	2,650	2,650
Surface Equipment Installation Costs			0	9,540	9,540
Elect. Installation			0	0	0
ESTIMATED TOTAL TANGIBLES			52,700	212,992	265,692
ESTIMATED TOTAL WELL COSTS			574,438	349,093	923,531

THIS AFE IS ONLY AN ESTIMATE. BY SIGNING YOU AGREE TO PAY YOUR SHARE OF THE ACTUAL COSTS INCURRED.

NPC APPROVAL	DATE
PREPARED BY: HRW	04/07/00
REVIEWED BY: TRM	
APPROVED BY: 	4/7/00
APPROVED BY: 	4/7/00

WI APPROVAL:

COMPANY

BY

TITLE

DATE

April, 2000

cc: Kathie

**Pathfinder "29" State Com. #1
1,980' FNL and 660' FEL
Section 29, T-18-S, R-28-E
Eddy County, New Mexico**

Yates Petroleum Corporation
105 S. Fourth St.
Artesia, New Mexico 88210

Louis Dreyfus Gas Holdings, Inc.
Quail Springs Corporate Park
14000 Quail Springs Parkway #600
Oklahoma City, Oklahoma 73134

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

Marbob Energy Corporation
P. O. Box 227
Artesia, New Mexico 88211

Pitch Energy Corporation
P. O. Box 304
Artesia, New Mexico 88211

Mewbourne Oil Company
P. O. Box 7698
Tyler, Texas 75711

Laura Jones
C/O Paul Slayton
P. O. Box 2035
Roswell, New Mexico 88202

EOG Resources, Inc.
P. O. Box 2267
Midland, Texas 79702

Read & Stevens, Inc.
P. O. Box 1518
Roswell, New Mexico 88201

Western Reserves Oil Company
306 Building of the Southwest
Midland, Texas 79701

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Harvard Petroleum Corporation
P. O. Box 936
Roswell, New Mexico 88201

J. P. White, Jr.
P. O. Box 874
Roswell, New Mexico 88201

Robert J. Leonard
P. O. Box 400
Roswell, New Mexico 88201

Phelps White
P. O. Box 874
Roswell, New Mexico 88201

Bean Family Limited Company
P. O. Box 1738
Roswell, New Mexico 88202

Dora L. McKnight
P. O. Box 1738
Roswell, New Mexico 88201

New Mexico Western Minerals, Inc.
P. O. Box 1738
Roswell, New Mexico 88201

Elk Oil Company
P. O. Box 310
Roswell, New Mexico 88201

John M. Kelly
P. O. Box 310
Roswell, New Mexico 88201

Tom P. White
P. O. Box 533
Roswell, New Mexico 88201

Cheryl W. Derrick
P. O. Box 533
Roswell, New Mexico 88201

Theodore P. White
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Roswell, New Mexico 88201

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Roy G. Barton
1919 N. Turner
Hobbs, New Mexico 88240

The Anderson-Malone Trust u/t/a 12/5/91
P. O. Box 87
Roswell, New Mexico 88201

Earl L. Malone, MD
2501 Cortez Court
Roswell, New Mexico 88201

Charles F. Malone,
Living Trust u/t/a/ 8/1/87
P. O. Drawer 700
Roswell, New Mexico 88201

Jean A. Eaton
5921 S. Datura Court
Littleton, Colorado 80120

Baynard W. Malone, as Trustee of the Elizabeth A. Malone
Testamentary Trust f/b/o Edna M. Schwarz
P. O. Box 87
Roswell, New Mexico 88201

Baynard W. Malone, as Trustee
for Ross L. Malone Testamentary Trust
P. O. Box 87
Roswell, New Mexico 88201