

ROCKTOP1

SANTA FE ENERGY RESOURCES, INC.

GENERALIZED WELL COST ESTIMATE

NAME: Rocky Top "27" Federal No.1

LOC: 550' FSL & 660' FWL, Sec.27-21S-24E, Eddy County, New Mexico

DESC: Drill and Complete A 10,220'Morrow Gas Well (Lost Circulation Case)

ACCOUNT	DESCRIPTION OF COSTS	DRY HOLE	PRODUCER
501-000	TANGIBLE WELL COSTS		
-41	CONDUCTOR CSG	5,000	5,000
-41	SURFACE CSG	13 3/8" 48.0 ppf H-40 @ 350'	8,050
-41	PROTECTION CSG	9 5/8" 36.0 ppf K-55 @ 2500'	30,000
-41	INTERMEDIATE CSG	7" 26.0 ppf L-80 LT&C @ 8500'	119,000
-41	PROD CSG		
-41	PROD LINER	4 1/2" 11.60 ppf N-80 LT&C 2000'	9,000
-42	TUBING	2-3/8" 4.7 ppf N-80 8-rd EUE	35,700
-43	WELLHEAD	3,000	16,000
-44	PMPG UNIT		
-45	PRIME MOVER		
-50	OTHER DWN HOLE EQUIP	Packer & Liner Hanger	16,000
-50	RODS		
-50	SUBSURFACE PMPS		
-55	CSG EQUIP	4,000	7,000
-55	ELECTRICAL		
-55	MISC. TANGIBLES		1,000
-55	ROD EQUIP		
-55	TUBING EQUIP		1,000
	TOTAL TANGIBLE COSTS	169,050	247,750
541-000	LEASE FACILITY COSTS		
-50	FLOW LINES		10,000
-50	LABOR		10,000
-50	OTHER PROD EQUIP	Separator, GPU, & Dehydration Unit	30,000
-50	TANK FACILITIES		15,000
	TOTAL LEASE FACILITY COSTS	0	65,000
511-000	INTANGIBLE WELL COSTS		
-21	LOCATION	35,000	35,000
-22	FENCING	1,000	2,000
-26	WTR & FUEL FOR RIG	40,000	40,000
-31	CONTRACTOR MOVING EXP	30,000	30,000
-32	CONT FOOTAGE OR TURNKEY		
-32	CONTRACTOR DAY WORK	39 days X \$4500/day	175,500
-33	DRLG FLUID & ADDITIVES	50,000	50,000
-34	BITS & REAMERS	45,000	45,000
-36	CORING & CORE ANALYSES		
-37	CEMENT	35,000	55,000
-39	INSPECTION & TSTG OF TANG	10,000	17,000
-41	DIRECTIONAL DRLG SURVEYS		
-42	DRILLING EQUIP RENTAL	30,000	30,000
-43	OPEN HOLE LOGGING	CNL/LDT/DLL/MSFL (2 runs)	30,000
-44	DRILL STEM TSTG	4 tests	20,000
-45	MUD LOGGING	30 days X \$400/d	12,000
-51	TRANSPORTATION	10,000	18,000
-52	COMPLETION UNIT	\$1200/day X 10 days	12,000
-53	COMPLETION TOOL RENTAL		8,000
-54	CASED HOLE LOGS & PERFING		10,000
-55	STIMULATION		20,000
-56	RIG SITE SUPERVISION	15,600	20,000
-72	ADMINISTRATIVE OVERHEAD	6,000	15,000
-99	FSHG TOOLS & EXPENSES		
-99	TESTING: BHP, GOR, 4 PT. POT		8,119
	ABANDONMENT COST	8,186	
	OTHER INTANGIBLES		
0	CONTINGENCY (5%)	27,664	32,631
	TOTAL INTANGIBLES	580,950	685,250
	TOTAL COSTS	750,000	998,000

BEFORE EXAMINER STOGNER

OIL COMPANY REGISTRATION

Santa Fe

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CASE NO. 10629/10628

Drilling Dept: Daniel RobertoDate: 11/3/92Operations Dept: Michael R. BuntingDate: 11/4/92SFER Approval By: Joe P. ShufeldtDate: 11/4/92

Non Operator Approval By: _____

Date: _____