



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 748-1471

Re-Entry  
AUTHORITY FOR EXPENDITURE  
NEW DRILLING

AFE NO. 92-442-0  
AFE DATE 10/22/92

AFE STATUS:

☒ Original  
☐ Revised  
☐ Final

Objective  
☐ Oil  
☒ Gas

Type of Well  
☐ Development  
☒ Exploratory

LEASE NAME Pan Am Pardue ALZ Fed #1  
COUNTY Eddy  
LEGAL DESC. 1140' FSL, 1350'FWL  
FIELD

PROJ'D DEPTH 10350'  
STATE New Mexico  
LOCATION Sec. 27-21S-24E  
HORIZON Morrow

DIVISION CODE 100  
DISTRICT CODE  
BRANCH CODE

DIVISION NAME Oil & Gas Division  
DISTRICT NAME  
BRANCH NAME

INTANGIBLE DRILLING COSTS:

		DRY HOLE	COMP'D WELL
920-100	Staking, Permit & Legal Fees	5,000	5,000
920-110	Location, Right-of-Way	10,000	10,000
920-120	Drilling, Footage Mobilization / Demobilization	25,000	25,000
920-130	Drilling, Daywork	60,000	54,000
920-140	Drilling Water, Fasline Rental	12,000	12,000
920-150	Drilling Mud & Additives	12,000	12,000
920-160	Mud Logging Unit, Sample Bags		
920-170	Cementing - Surface Casing		
920-180	Drill Stem Testing, OHT		
920-190	Electric Logs & Tape Copies	15,000	15,000
920-200	Tools & Equip. Rntl., Trkg. & Welding	15,000	15,000
920-210	Supervision & Overhead	3,000	3,000
920-220	Contingency		
920-230	Coring, Tools & Service		
920-240	Bits, Tool & Supplies Purchase		2,500
920-350	Cementing - Production Casing		20,000
920-410	Completion Unit - Swabbing		15,000
920-420	Water for Completion		2,000
920-430	Mud & Additives for Completion		500
920-440	Cementing - Completion	3,000	
920-450	Elec. Logs, Testing, Etc. - Completion		7,500
920-460	Tools & Equip. Rental, Etc. - Completion		10,000
920-470	Stimulation for Completion		40,000
920-480	Supervision & O/H - Completion		4,000
920-490	Additional LOC Charges - Completion	2,000	1,000
920-510	Bits, Tools & Supplies - Completion		1,000
920-500	Contingency for Completion		
TOTAL INTANGIBLE DRILLING COSTS		162,000	254,500

TANGIBLE EQUIPMENT COSTS:

930-010	Christmas Tree & Wellhead	5,000	15,000
930-020	Casing 10350' x 6.90/ft.		71,500
930-030	Tubing 10300' 2 7/8" 6.5 N80 x 4.20/ft.		43,000
930-040	Packer & Special Equipment		6,500
940-010	Pumping Equipment		
940-020	Storage Facilities		15,000
940-030	Separation Equip., Flowlines, Misc.		25,000
940-040	Trucking & Construction Costs		5,000
TOTAL TANGIBLE EQUIPMENT COSTS		5,000	181,000

TOTAL COSTS 167,000 435,500

APPROVAL OF THIS AFE COSTITUTES APPROVAL OF OPERATOR'S OPTION TO CHARGE THE JOINT ACCOUNT WITH TUBULAR GOODS FROM THE OPERATOR'S WAREHOUSE STOCK AT THE RATES STATED ABOVE.

Prepared By Brian Tallin 10-23-92 Operations Approval E

OWNER

SHARE

Santa Fe Energy Operating Partners, L.P.

12.50%

BY DATE

BY DATE

BY DATE

BY DATE