

**MEWBOURNE OIL COMPANY  
AUTHORIZATION FOR EXPENDITURE**

Prospect: CHALK BLUFF DRAW  
Well Name and No: CHALK BLUFF #35 FEDERAL #1  
Section: 35  
County: EDDY

Block  
State: N.M.

Field: ILLINOIS CAMP (MORROW)  
Location: 1980' FSL & 1980' FEL  
Township: 17S Range: 27E  
Proposed Depth: 10,000'

DESCRIPTION		Cost To Casing Point AFE NO.	Completion Cost AFE NO.
<b>INTANGIBLE COST 180</b>			
300	Permits and Surveys	600	600
301	Location, Roads and surveys	20000	2000
302	Footage or Turnkey Drilling	180250	0
303	Day Work	20000	0
304	Fuel, Water and Other	20000	1000
305	Completion/Workover Rig	0	20000
306	Mud and Chemicals	15000	0
307	Cementing	15000	22000
308	Logging and Wireline	18000	7000
309	Casing-Tubing Services	3000	2000
310	Mud Logging	5000	0
311	Testing	4000	2000
312	Treating	0	55000
313	Coring	0	0
320	Transportation	2500	4000
321	Welding and Construction Labor	2000	1000
322	Contract Supervision	0	0
330	Equipment Rental	6000	4000
334	Well/Lease Legal/Tax	500	0
335	Well/Lease Insurance	4400	0
350	Intangible Supplies	500	500
360	Pipeline ROW and Easements	0	500
367	Pipeline Interconnect	0	12000
375	Company Supervision	29000	11000
380	Overhead Fixed Rate	8000	3750
399	Contingencies	35375	14835
Total Intangibles		\$369,125	\$163,185
<b>TANGIBLE COST 181</b>			
	Conductor Casing	0	0
	Surface Casing 13 3/8" @ 400'	8800	0
	Intermediate Casing 9 5/8" @ 2600'	36400	0
	Production Casing 5 1/2" @ 10,000	0	77250
	Production Casing	0	0
	Tubing 2 7/8" @ 10,000'	0	23700
860	Drilling Head	4500	0
865	Tubing Head	0	2500
870	Upper Section	0	7000
875	Sucker Rods	0	0
880	Packer, Pump & Other Subsurface	0	8000
885	Pumping Unit & Prime Mover + Electricity	0	0
890-1	Tanks (Steel & Fiberglass)	0	6000
894-5	Separation Equipment (fired, Non-fired)	0	10000
898	Metering Equipment	0	3000
900	Line Pipe	0	10000
905	Valves	0	3000
906	Miscellaneous Fittings & Accessories	0	1500
910	Production Equipment Installation	0	10000
920	Pipeline Construction	0	20000
Total Tangibles		\$49,700	\$181,950
SUBTOTAL		\$438,825	\$345,135
TOTAL WELL COST		\$783,960	

Date Prepared: 10-23-92  
Prepared By: Gregory Milner

Company Approval: *[Signature]*  
Date Approved: 10-27-92

Joint Owner Approval:

Joint Owner Interest:

Joint Owner Amount:

BEFORE _____ STOGNER	
OIL CONSERVATION DIVISION	
EXHIBIT NO. <u>5</u>	
CASE NO. <u>10637</u>	