

**BARBARA FASKEN**

COST ESTIMATE

OPERATOR: Barbara Fasken  
 LEASE NAME: Inexco Federal  
 FIELD: Catclaw Draw Morrow

DATE: May 25, 1993  
 WELL NO.: 2  
 COUNTY: Ed

AFE NO:  
 New Mexico

Examiner \_\_\_\_\_  
 Case No. 10826  
 EXHIBIT NO. 3

**TANBIBLES**

TUBULAR GOODS	SIZE [IN]	FOOTAGE [FT]	PRICE [\$/FT]			HOLE
Conductor Pipe	20.000	0	\$25.00	\$0		\$0
Surface Casing	13.375	500	\$15.00	\$7,500		\$7,500
Inter. Casing	8.625	2,500	\$9.00	\$22,500		\$22,500
Oil string	4.500	11,515	\$5.00	\$57,600		\$0
Tubing	2.375	11,515	\$3.00	\$34,500	\$122,100	\$0
<b>WELLHEAD EQUIPMENT</b>						
Starting Head				\$7,000		\$7,000
Inter. Head				\$9,000		\$9,000
Tubing Head				\$8,500		\$0
Christmas Tree				\$7,000	\$31,500	\$0
<b>SUB SURFACE PRODUCTION EQUIPMENT</b>						
Tubing Anchor and/or Packer				\$5,000		\$0
Sucker Rods, Pump, BHA, etc.				\$0	\$5,000	\$0
<b>SURFACE PRODUCTION EQUIPMENT</b>						
Pumping Unit c/w Prime Mover				\$0		\$0
Production Unit				\$15,000		\$0
Tanks, Treaters, Separators, Circ. Pump				\$21,500		\$0
Labor				\$15,600	\$52,100	\$0
<b>TOTAL TANGIBLES</b>				\$210,700	\$210,700	\$46,000

**INTANGIBLES**

**CONTRACTOR DRILLING COST**

	FOOTAGE	RATE			
Drilling Cost	5,000	\$21.00	\$105,000		\$105,000
Day Work	38	\$4,500	\$171,000		\$171,000
Pulling Unit for Completion	50	\$125	\$6,300		\$0
Reverse Drilling Equipment			\$4,000	\$286,300	\$0
<b>CEMENTING SERVICES &amp; EQUIPMENT</b>					
Surface			\$4,600		\$4,600
Intermediates			\$9,600		\$9,600
Oil String			\$23,900		\$0
Other			\$0	\$38,100	\$7,500
<b>FORMATION TREATMENT</b>					
Acidizing Services & Material			\$7,500		\$0
Fracturing Services & Material			\$0		\$0
Tank Rental & Hauling			\$1,500	\$9,000	\$1,000
<b>SPECIAL SERVICES</b>					
Perforating & Wireline Services			\$5,000		\$0
Mud Logging	33	\$400	\$13,200		\$13,200
Open Hole Logging			\$35,000		\$35,000
Cores, DST's, etc.			\$9,000		\$9,000
Packer & BP Rental		Directional Servs.	\$60,000	\$122,200	\$60,000
<b>DRILLING FLUIDS</b>					
Mud & Chemicals			\$40,000		\$40,000
Fresh & Brine Water			\$15,000		\$15,000
Oil for Drilling Mud			\$0	\$55,000	\$0
<b>MATERIALS &amp; SERVICES OTHER</b>					
Bits & Reamers			\$25,000		\$25,000
Fuel			\$0		\$0
Hauling - Trucking, Transport, & Pmp Truck			\$6,300		\$2,300
Tubular Inspection & Testing			\$3,700		\$900
Casing Expense (Run Csg., PU/LD Machine)			\$4,500		\$0
Valves, Piping, & Connections			\$1,000		\$500
Pit Liners			\$2,500		\$2,500
Rental Equipment			\$23,500		\$23,000
Welding & Roustabout Labor			\$600		\$600
Cattleguard & Fencing			\$500		\$500
Misc. Services & Supplies			\$3,400	\$71,000	\$2,350
<b>LOCATION ACCESS &amp; CLEAN UP</b>					
Surveying			\$1,500		\$1,500
ROAD, LOCATION, PITS, & CLEAN UP			\$31,000	\$32,500	\$31,000
<b>SUPERVISION &amp; LEGAL, ETC.</b>					
Geological, Engr. & Supervisory Expense			\$14,000	\$14,000	\$12,000
CONTINGENCIES	15%		\$92,100	\$92,100	\$84,200
<b>TOTAL INTANGIBLES</b>			\$720,200	\$720,200	\$657,300
<b>TOTAL COST</b>			\$930,900	\$930,900	\$703,300