

THORNBUSH FEDERAL #1

Estimated San Andres Drilling & Completion Costs As Per COPUS Bulletin #2

Well Data:	Total Depth, Feet	9060
	Days On Location	24
	Total Cost	\$620,151
	Total Intangible Cost	\$429,380

COPUS Bulliten #2, Part B: Allocation Of Intangible Drilling Cost.

(Method B)

a) Drilling Footage Ratio:

10	Total Days To 4800'	
24	Total Days To 9060'	
0.4167	10 Divided By 24 Equals	41.67%

Intangible Allocation Calculation:

41.67% X \$429,380 = \$178,908

Addition Of San Andres Completion And Surface
Facility Costs:

Wellhead A + B + Tbg. Head	7,992
13 3/8" Surf. Csg.	7,782
8 5/8" Int. Csg.	NA
5 1/2" Prod. Csg. 4800'@ 6.83/Ft	32,802
2 3/8" Prod. Tbg. 4800'@ 2.27/Ft	10,895
Prod. Facilities	13,073
Total Additional Costs	\$72,544

Total Allocation Of Well Costs \$251,452

***** Note The Equitable Estimate Obtained By Multiplying The Day
Ratio By The Total Well Cost.

41.67% X \$620,151 = \$258,396

BEFORE EXAMINER STOGNER

Oil Conservation Division

CHEVRON'S Exhibit No. 3

Case No. 9998