

AUTHORIZATION FOR EXPENDITURE

DRILLING AND COMPLETION

8,700 FT. BONE SPRINGS TEST

Unit E, Section 26, T-18-S, R-32-E

LEA COUNTY, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

Case No. 8755 Exhibit No. 13

Submitted by SPRINKLE

Hearing Date 2/26/86

DRILLING

INTANGIBLE

TANGIBLE

TOTAL

Legal	750		750
Survey Location	275		275
Build Location, Entry Road	18,000		18,000
Surface Damages	2,500		2,500
Drilling 8,700' @ \$14.75/ft.	128,325		128,325
3 Days Day Work @ \$4,400/day	13,200		13,200
Drilling Mud, Chemicals, Water	20,000		20,000
350 ft. 13-3/8" Surface Csg.		6,066	6,066
2,800 ft. 8-5/8" Intermediate Csg.		26,596	26,596
Casinghead		7,584	7,584
Cementing 13-3/8" & Equipment	4,895		4,895
Cementing 8-5/8" & Equipment	14,625		14,625
Geological Services	2,500		2,500
Engineering Supervision	3,500		3,500
Labor, Casing Crew, etc	1,500		1,500
Drilling Overhead	3,400		3,400
Abandonment	2,250		2,250
Contingencies	10,000		10,000

ESTIMATED COST TO THE CASING POINT

\$ 265,966

COMPLETION

8,700' 4-1/2" Production Casing		47,107	47,107
8,700' 2-3/8" Tubing		20,777	20,777
Casing-Tubinghead		10,280	10,280
Cement & Services, Production Csg.	7,215		7,215
Gamma Ray-Collar Log-Perf.	3,400		3,400
Completion Unit-5 Days @ \$1,400/day	7,000		7,000
Acid Treatment-Frac. Treatment	41,693		41,693
Equipment Rentals	2,500		2,500
Engineering Supervision	4,000		4,000
Tank Battery, Flow Lines, Connections		16,750	16,750
Misc'l Fittings & Valves		1,500	1,500
Completion Overhead	1,550		1,550
Lease Labor	2,000		2,000

ESTIMATED COST TO COMPLETE

\$ 69,358 \$ 96,414 \$ 165,772

TOTAL ESTIMATED COMPLETED WELL COST

\$ 295,078 \$ 136,660 \$ 431,738

448,738

By: W.G. McCoy

Date: February 25, 1986