



AUTHORITY FOR EXPENDITURE

* Revised 6-8-89

AFE # 89-056-0

REVISION #

DATE 4-26-89

207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210LEASE NAME Drover State Unit #1
COUNTY Lea STATE New Mexico
HORIZON Mississippian EST. T. D. 11500'
EST. COMPLETION DATELOCATION 990/S&E, Sec. 20-T13S-R32E
FIELD
EST. SPUD DATE
DRILLING CONTRACTORPRIMARY OBJECTIVE: ☐ OIL ☐ GAS ☒ OIL AND/OR GAS
PURPOSE : ☒ DRILLING-NEW ☐ RECOMPLETION ☐ OTHER (SUPPLEMENTAL AFE, ETC.)
TYPE WELL : ☐ DEVELOPMENT ☒ EXPLORATION

INTANGIBLE COSTS:

		DRY HOLE	COMPLETION
9210	STAKING PERMIT & LEGAL FEES	\$ 300	\$ 300
9211	LOCATION, RIGHT-OF-WAY	13000	13000
9212	DRILLING, FOOTAGE 11500' @ \$16/ft	184000	184000
9213	DRILLING, DAYWORK 4 days @ \$4100/day	16600	16600
9214	DRILLING WATER	15000	15000
9215	DRILLING MUD & ADDITIVES	28000	28000
9216	MUD LOGGING UNIT	7500	7500
9217	SURFACE & INT. CEMENT, CSG., TOOLS & SERVICES	28000	28000
9218	DRILL STEM TESTING	8000	8000
9219	ELECTRIC LOGS - OPEN HOLE	17000	17000
9220	TOOL & EQUIP. RENTAL, TRUCKING, WELDING	10000	10000
9221	SUPERVISION & OVERHEAD	3000	3000
9223	CORING, TOOLS & SERVICES	-	-
9224	BITS, TOOLS & SUPPLIES	-	-
9235	PRODUCTION CEMENT, CASING, TOOLS & SERVICES	-	14000
9222	CONTINGENCY	5000	5000
9241	COMPLETION UNIT	-	9000
9242	WATER FOR COMPLETION	-	1000
9243	MUD ADDITIVES FOR COMPLETION	-	1000
9244	CEMENT, TOOLS, SERVICES & TEMP. SURV. FOR COMP.	-	3500
9245	ELECTRIC LOGS, PERFORATION TEST FOR COMPLETION	-	9600
9246	TOOLS, TRUCK, WELD. & EQUIP. RENTAL FOR COMP.	-	10000
9247	STIMULATION - COMPLETION	-	20000
9248	SUPERVISION & OVERHEAD - COMPLETION	-	3000
9249	ADDT'L LOCATION, ROAD WORK & SURFACE DAMAGES	-	1200
9251	BITS, TOOLS, ETC. PURCHASED FOR COMPLETION	-	1000
9250	CONTINGENCY - COMPLETION	-	-
TOTAL INTANGIBLES		335400	408700

EQUIPMENT COSTS:

9301	CHRISTMAS TREE AND WELL HEAD	1200	12000
9302	CASING 13-3/8" 54# J-55 @450'	10300	10300
9302	8-5/8" 32# J-55 @4200'	46200	46200
9302	5-1/2" 17# N-80&S-95 @11500'	-	105800
9303	TUBING 2-7/8" 6.5# J-55 @11200'	-	28000
9304	PACKER & SPECIAL EQUIPMENT	-	-
9350	CONTINGENCY	-	-
WELL EQUIPMENT		57700	202300

LEASE & BATTERY EQUIPMENT COSTS:

9401	PUMPING EQUIPMENT	-	-
9402	STORAGE 2-210b. welded tank/walkway+stairs/fbg1 tank	-	8000
9403	SEPARATION EQUIP., FLOWLINES, VALVES, FITTINGS	-	12000
9404	TRUCKING & CONSTRUCTION COSTS	-	6000
TOTAL LEASE & BATTERY EQUIP.		-	26000

TOTALS

\$393100 \$637000

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

YATES PETROLEUM CORPORATION	DATE	SHARE
BY <i>Alfred L. Springer III</i>		40.573777%
BY <i>[Signature]</i>		
BY <i>[Signature]</i>		
YATES PETROLEUM CORPORATION		13.524590%
YATES DRILLING COMPANY		
BY <i>[Signature]</i>	6/21/89 Examiner Hearing	13.524590%
MYCO INDUSTRIES, INC.	Exhibit No. 6	
BY <i>[Signature]</i>		13.524590%

DROVER STATE UNIT #1
Sec. 20-T13S-R32E
Lea County, New Mexico

AFE #89-056-0
April 26, 1989
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Date

Share

CHEVRON USA INC.

By _____

DEVON ENERGY CORPORATION

By _____

FRAZIER & RAY OIL & GAS CORPORATION

By _____

MOBIL EXPLORATION & PRODUCING U.S. INC.

By _____

WOODS PETROLEUM CORPORATION

By _____

.819672%

.819672%

5.737705%

4.918033%

6.557378%

ILLEGIBLE