

AMERIND OIL CO.

Authority for Expenditure

Higgins Trust, Inc. # 1
1980' FSL, 660' FWL
21 - 16S - 37E
Lea County, New Mexico

BEFORE EXAMINER STEPHEN
OIL CONSERVATION DISTRICT
Amerind EXHIBIT NO. 3
CASE NO. 8231+8232

| <u>Intangible</u> | <u>Casing Point</u> | <u>Flowing Completion</u> | <u>Total</u> |
|------------------------------------|---------------------|---------------------------|--------------|
| Drilling 11,600' @ \$15.35/ft. | \$ 178,000 | : | |
| Daywork 4 @ \$4,450 | 18,000 | : | |
| Drilling mud & water | 50,000 | | |
| Mud logger | 15,000 | | |
| Location & damages | 20,000 | | |
| DST's (3 @ \$4,000) | 12,000 | | |
| Log & perforate | 25,000 | 10,000 | |
| Cementing - surface 420 sx. | 5,000 | | |
| - int. 2,090 sx. | 15,000 | | |
| - prod. 200 sx. | | 5,000 | |
| Supervision | 5,000 | 5,000 | |
| Geologist | 5,000 | | |
| Contract services | 10,000 | 10,000 | |
| Transportation | 5,000 | 5,000 | |
| Completion unit (5 days @ \$1,400) | | 7,000 | |
| Acid job | | 10,000 | |
| Total Intangible | \$ 368,000 | \$ 52,000 | \$ 420,000 |

Tangible

| | | | |
|--------------------------------|-----------|-----------|------------|
| Casing | | | |
| Surface 400' 13-3/8" 48# H40S | 6,000 | | |
| Inter. 2300' 8-5/8" 24# K55S | 17,000 | | |
| 2100' 8-5/8" 32# K55S | 20,000 | | |
| Prod. 11100' 5-1/2" 17# N80L | | 75,000 | |
| 200' 5-1/2" 20# N80L | | 2,000 | |
| Tubing 11,300' 2-3/8" 4.7# N80 | | 35,000 | |
| Wellhead & packer | 5,000 | 12,000 | |
| Tank battery & misc. | | 30,000 | |
| Total Tangible | \$ 48,000 | \$154,000 | \$ 202,000 |
| Contingencies | 36,000 | 14,000 | 50,000 |
| TOTAL | \$452,000 | \$220,000 | \$ 672,000 |

"The amounts provided for herein are estimated only, and approval shall extend to the actual costs incurred in conducting the operations specified, whether more or less than herein set out."

RECOMMENDED BY:

Robert M. Lechert

APPROVED BY:

Date: March 12, 1984

Date: _____