



BTA OIL PRODUCERS

WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

Well Name: 8212 JV-P Lynch No. 2  
 Location: 1980' FSL & 1980' FWL  
 Section 24, T-20-S, R-34-E,  
 Lea County, New Mexico

Total Depth: 13,600'  
 Formation: Strawn  
 Prepared by: L. G. Johnson

AFE Prepared: September 21, 1984

Approved by: C. R. Pearce

| <u>INTANGIBLES</u>                             | <u>Dry Hole</u>  | <u>Producer</u>    |
|--|------------------|--------------------|
| Engineering & Geological                       | \$36,000         | \$40,000           |
| Location, Damages, Stake                       | 60,000           | 70,000             |
| Drilling (Day Work):<br>70 days @\$4,000/day   | 260,000          | 280,000            |
| Mud Related Supplies                           | 50,000           | 55,000             |
| Completion Unit & Swab<br>14 days @\$1,200/day |                  | 17,000             |
| Cement & Service                               | 50,000           | 76,000             |
| Electric Log & Perf.                           | 45,000           | 55,000             |
| Well Stimulation                               |                  | 30,000             |
| Drillstem Test                                 | 6,000            | 6,000              |
| Bits   | 64,000           | 67,000             |
| Bottom Hole Assemblies                         | 20,000           | 20,000             |
| Plug & Abandon                                 | 15,000           |                    |
| Move In & Rig Up                               | 38,000           | 38,000             |
| Welding  | 6,000            | 12,000             |
| Trucking                                       | 12,000           | 25,000             |
| Rental Equipment                               | 21,000           | 30,000             |
| Casing Services                                | 10,000           | 15,000             |
| Completion Services                            |                  | 20,000             |
| Supervision                                    | 20,000           | 25,000             |
| Roustabout                                     | 5,000            | 10,000             |
| Fuel   | 30,000           | 35,000             |
| BOP Services                                   | 12,000           | 15,000             |
| Miscellaneous                                  | 76,000           | 94,000             |
| <b>Total Intangibles</b>                       | <b>\$836,000</b> | <b>\$1,035,000</b> |

| <u>TANGIBLES</u>              |                    |                    |
|-------------------------------|--------------------|--------------------|
| Casing:                       |                    |                    |
| 60' of 30" @\$45/ft.          | 3,000              | 3,000              |
| 700' of 20" @\$50/ft.         | 35,000             | 35,000             |
| 3,500' of 13-3/8" @\$22/ft.   | 77,000             | 77,000             |
| 5,500' of 9-5/8" @\$15/ft.    | 83,000             | 83,000             |
| 13,600' of 5-1/2" @\$8/ft.    |                    | 109,000            |
| 13,500' of 2-7/8" @\$4/ft.    |                    | 54,000             |
| Well Head & Connections       | 15,000             | 30,000             |
| Sub-Surface Equipment         |                    | 8,000              |
| Flow Lines                    |                    | 10,000             |
| Miscellaneous Well Equipment  |                    | 15,000             |
| Tanks & Connections           |                    | 20,000             |
| Heater & Treaters             |                    | 15,000             |
| Miscellaneous Lease Equipment |                    | 10,000             |
| <b>Total Tangibles</b>        | <b>\$213,000</b>   | <b>\$469,000</b>   |
| <b>TOTAL WELL COST</b>        | <b>\$1,049,000</b> | <b>\$1,504,000</b> |

Approved by: \_\_\_\_\_

Company: \_\_\_\_\_

Date: \_\_\_\_\_