

ACTIVIZATION FOR EXPENDITURE

☐ Drilling Well ☒ Oil
☒ Recompletion ☐ Gas

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 P.O. Box 16844
 Lubbock, TX 79490

BEFORE EXAMINER **STOGNER**
 OIL CONSERVATION DIVISION

CAPPS EXHIBIT NO. **3**
9255

CASE NO. _____ DATE **10/19/87**

AFE NO.
 87-35-001

LEASE NAME - WELL NO.	COUNTY	STATE
Pearl Western #1-Y	Lea	New Mexico
LEGAL DESCRIPTION	PROSPECT	PROGRAM
Sec. 18- T12S- R38E		
TARGET FORMATION(S) AND DEPTH(S)	ESTIMATED TOTAL DEEP	
Lower Wolfcamp 9650' - 9660'	9700'	
	PREPARED BY	
	M. G. Mooney	

INTANGIBLE COSTS

ACCOUNT NUMBER	DESCRIPTION	DRY HOLE (CASING POINT) COSTS	COMPLETION COSTS	PRODUCER TOTAL COST
1705				
	DRILL SITE PREPARATION			
101	Land and Legal	\$5,000		\$5,000
102	Surface Damages	\$5,000		\$5,000
103	Surveys and Permits			
104	Location, Roads, Pits, Fences	\$2,500		\$2,500
105	Rathole, Cellar, Conductor			
106	Other well acquisition cost	\$30,000		\$30,000
	DRILLING CONTRACTOR SERVICES			
201	Turnkey Drilling Costs			
202	Footage Ft. @ per ft.			
203	Daywork W/DP Days @ per day			
204	Daywork WO/DP Days @ per day			
205	Mobilization/Demobilization			
206	Other			
	MATERIALS AND SUPPLIES			
301	Drill Bits 4 3/4" , 4 5/8"	\$1800		\$1800
302	Drilling Mud and Chemicals			
303	Completion Fluids			
304	Rental Tools and Equipment	\$7,000		\$7,000
305	Float Equipment and Hardware			
306	Miscellaneous			
	POWER, FUEL, AND WATER			
401	Electric Power			
402	Natural Gas, Gasoline, Propane, Diesel			
403	Water	\$3,000		\$3,000
	SPECIALIZED SERVICES			
501	Cement and Cementing Services			
502	3- Squeeze Cementing or Plugging	\$15,000		\$15,000
503	Logging Services (Open Hole)			
504	Logging Services (Cased Hole)			
505	Drill Stem Test			
506	Core and Core Analysis			
507	Mud Logging Services			
508	Casing and Drill Pipe Inspection			
509	Sandblasting/Roughcoat			
510	Casing Crews and Tools			
511	Perforating and Wireline Services	\$3600		\$3600
512	Acidizing Services		\$6,000	\$6,000
513	Frac Stimulation Services		\$28,000	\$28,000
514	Drilling Consultants/Wellsite Geologists			
515	Fishing Tool Services			
516	Other Tubing test before Production		\$2700	\$2700
	SUB TOTAL	\$72,900	\$36,700	\$109,600

(See next page)

Sec. 18- T12S - R38E
LEGAL DESCRIPTION

Lea New Mexico
COUNTY STATE
Recomplete Lower Wolfcamp

[illegible]

WELL EQUIPMENT							
	Footage	Size	Grade	Cost			
901	Surface Csg			/ft			
902	Protection Csg			/ft			
				/ft			
903	Production Csg			/ft			
				/ft			
				/ft			
				/ft			
904	Liner			/ft			
905	Tubing 9700'	2 7/8	N-80	3.10 /ft	\$30.100		\$30,100
				/ft			
				/ft			
906	Sucker Rods 2225'	1"	D	2.10 /ft		\$4,675	\$4675
	2375'	7/8"	D	1.85 /ft		\$4,394	\$4,394
	5100'	3/4"	D	1.45 /ft		\$7,395	\$7,395
				/ft			
907	Wellhead and Equipment						
908	Pumping Unit, Engine, and Equipment					\$21,200	\$21,200
909	Downhole pump					\$1,600	\$1,600
910	Packers/Tubing Anchors					\$2,500	\$2,500
911	Non Controllable Tangible Equipment						
	SUB TOTAL						

(See next page)

Sec. 18- T12S - R38E

Lea	New Mexico
COUNTY	STATE

Recomplete Lower Wolfcamp

ACCOUNT NUMBER	DESCRIPTION	DRY HOLE (CASING POINT) COSTS	COMPLETION COSTS	PRODUCER TOTAL COST
1705	LEASE EQUIPMENT			
951	Stock Tanks (2)500Bbls @ \$ 3,000/tank		\$6,000	\$6,000
952	Separator			
953	Heater Treater		\$5,600	\$5,600
954	Water Knockout			
955	Dehydration Unit			
956	Compressor			
957	Line Pipe ft. " @ \$ 3.00 /ft		\$1,500	\$1,500
958	Electric System and Transmission Lines		\$2,500	\$2,500
959	Buildings			
960	Fittings		\$3,000	\$3,000
961	Miscellaneous			
962	Non Controllable Tangible Material			
XXXXXX	XX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
	TOTAL TANGIBLES	\$ 30,100	\$ 60,364	\$ 90,464
XXXXXX	XX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
	TOTAL ESTIMATED COSTS	\$109,200	\$107,364	\$216,564
XXXXXX	XX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX

Note: COST AND PARTICIPATIONS ARE GENERALLY ESTIMATES. BILLINGS WILL BE BASED ON ACTUAL EXPENDITURES.

OPERATOR

Date _____

NON-OPERATORS