

**OCD CASE 21460
OCD CASE 21483**

**APPLICATION OF CATENA RESOURCES OPERATING, LLC
FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO**

**OIL CONSERVATION DIVISION HEARING
THURSDAY, AUGUST 19, 2021**

SUPPLEMENTAL AFFIDAVIT

**INDEX LISTING
Affidavit of CATO CLARK
with attached documents as listed**

	Document Name	Bate's Numbers
1)	Affidavit of Cato Clark	001-003
2)	Supplemental Exhibit A-tract map (21460)	004
	Supplemental Exhibit A-tract map (21483)	005
3)	Supplemental Exhibit B (21460 & 21483)	006
	Communication timeline	
4)	Supplemental Exhibit C (21460 & 21483)	007
	Well Proposal Letter	
5)	Supplemental Exhibit D-AFE (21460)	008-009
	Supplemental Exhibit D-AFE (21483)	

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF CATENA RESOURCES
OPERATING, LLC FOR COMPULSORY POOLING
LEA COUNTY, NEW MEXICO**

CASE NO. 21460

**APPLICATION OF CATENA RESOURCES
OPERATING, LLC FOR COMPULSORY POOLING
IN LEA COUNTY, NEW MEXICO**

CASE NO. 21483

AFFIDAVIT OF CATO CLARK

CATO CLARK, of lawful age and being duly sworn, declares as follows:

1. My name is Cato Clark. I work for Catena Resources Operating, LLC (“Catena”) as a Consulting Land Advisor. I have previously testified before the Oil Conservation Division (“Division”) and my credentials as an expert petroleum landman were accepted by the division as a matter of record.
2. My area of responsibility for Catena includes the area of Lea County in New Mexico.
3. I am familiar with the application filed with by Catena.
4. I am familiar with the status of the lands that are subject to these applications.
5. I submit the following supplemental information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling applications which originally went to hearing on April 22, 2021:
 6. The parties being pooled and the percent of their interests and participation in the tracts as shown on the tract map (**Supplemental Exhibit A**) are shown in **Supplemental Exhibit A** for the respective cases.

7. Catena has conducted a diligent search of the public records in the county where the well is located and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed all parties well proposals. Copies of Communication Timelines for additional parties are attached hereto as **Supplemental Exhibit B**.

8. In my opinion, Catena has made a good faith effort to obtain voluntary joinder of additional working interest owners in the proposed wells.

9. **Supplemental Exhibit C** is a copy of a proposal letter sent to the additional working interest owners, which were sent on April 16, 2021 for the proposed wells together with AFEs.

10. The proposal letters identified the proposed surface hole location and bottom hole location and approximate TVD.

11. **Supplemental Exhibit D** contains a revised Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico. Catena requests overhead and administrative rates of \$8,000.00/month for drilling a well and \$800.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Catena requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

12. Catena requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

13. Catena requests that it be designated operator of the wells.

14. The attachments to this affidavit were prepared by me, or compiled from company business records, or were prepared at my direction.

15. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

16. The granting of this application is in the interests of conservation and the prevention of waste.



CATO CLARK

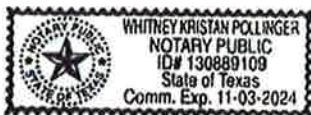
STATE OF TEXAS)
)
COUNTY OF HARRIS)

SUBSCRIBED AND SWORN to before me this 13th day of August, 2021 by Cato Clark on behalf of Catena Resources Operating, LLC.



Notary Public

My Commission Expires:
11/03/2024



SUPPLEMENTAL EXHIBIT A - Case No. 21460

**Rambo 1H Well
Proposed Wolfcamp Spacing Unit
Lea County, New Mexico
E/2 Section 8 & 17 - T19S - R35E**

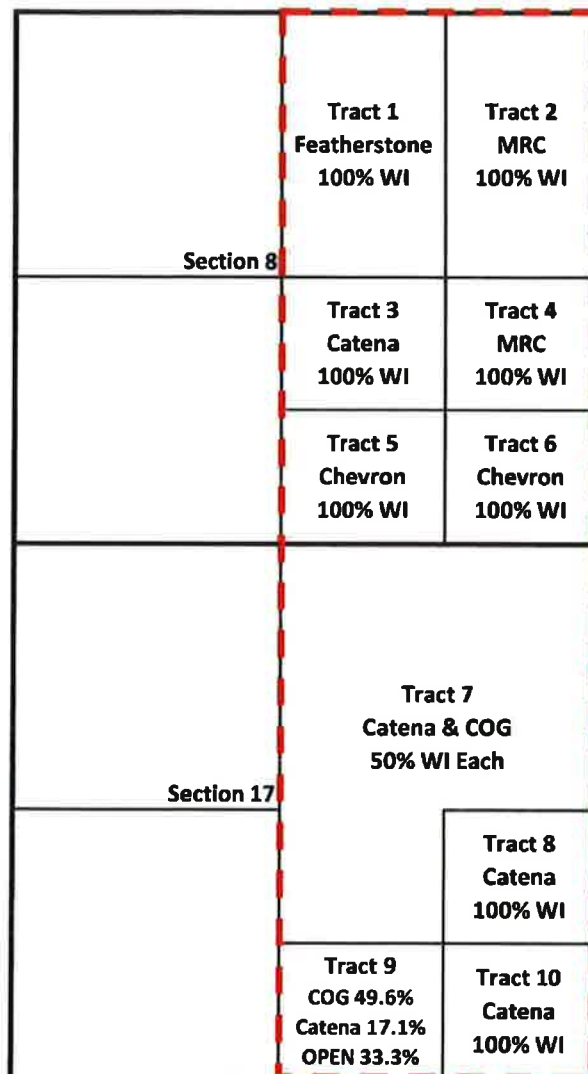
Parties not being Pooled

MRC Permian Company **WI** 0.1875

Parties to be Pooled

Catena Resources Operating, LLC 0.35441
 Featherstone Development Company 0.12500
 COG Operating, LLC 0.18726
 Chevron USA Inc. 0.12500
 Jeannine Hooper Byron, Trustee of the Jeanni Hooper & Sons, LLC 0.00833
 Robert G. Hooper GST Trust, Robert G. Hooper 0.00104
 Robert G. Hooper(sole and separate property 0.00104
 Deborah H. Wachsmuth GST Trust, Deborah H. Wachsmuth(sole and separate property 0.00104

Total **1.00000**



Tract 1	W/2 NE/4 Section 8	Tract 6	SE/4 SE/4 Sec. 8
Tract 2	E/2 NE/4 Section 8	Tract 7	NE/4 & NW/4 SE/4 Sec. 17
Tract 3	NW/4 SE/4 Section 8	Tract 8	NE/4 SE/4 Sec. 17
Tract 4	NE/4 SE/4 Section 8	Tract 9	SW/4 SE/4 Sec. 17
Tract 5	SW/4 SE/4 Section 8	Tract 10	SE/4 SE/4 Sec. 17

SUPPLEMENTAL EXHIBIT A - Case No. 21483
Rambo 2H Well
Proposed Bone Spring Spacing Unit
Lea County, New Mexico
E/2 E/2 Section 8 & 17 - T19S - R35E

		Section 8	Tract 1 MRC 100% WI
			Tract 2 MRC 100% WI
Parties not being Pooled MRC Permian Company	WI 0.5000		Tract 3 MRC 100% WI
			Tract 4 MRC 100% WI
Parties to be Pooled Catena Resources Operating COG Operating, LLC	0.3750 0.1250		Tract 5 Catena 50% COG 50%
			Tract 6 Catena 100%
Total	1.0000	Section 17	Tract 7 Catena 100%

- Tract 1 NE/4 NE/4 Section 8
- Tract 2 SE/4 NE/4 Section 8
- Tract 3 NE/4 SE/4 Section 8
- Tract 4 SE/4 SE/4 Section 8
- Tract 5 E/2 NE/4 Section 17
- Tract 6 NE/4 SE/4 Section 17
- Tract 7 SE/4 SE/4 Section 17

Supplemental Exhibit B Cases 21460 & 21483

Catena Resources Operating, LLC – Rambo 1H & Rambo 2H Discussion Timeline

ConocoPhillips Company

Catena Resources Operating, LLC sent original well proposals on July 23, 2020. After such time, beginning on or around August 6, 2020, Catena and ConocoPhillips (formerly Concho Oil & Gas) engaged in discussions regarding the proposed wells, including a technical review on March 2, 2021. Catena and ConocoPhillips are in ongoing discussions on the well proposals.

Chevron

Catena Resources Operating, LLC sent original well proposals on July 23, 2020. After such time, beginning on or around September 8, 2020, Catena and Chevron engaged in discussions regarding the proposed wells which are ongoing.

Featherstone

Catena Resources Operating, LLC sent original well proposals on July 23, 2020. After such time, beginning on or around September 16, 2020, Catena and Featherstone engaged in discussions regarding the proposed well which are ongoing.

OPEN - Unleased Mineral Interest Owners

Catena Resources Operating, LLC sent original well proposals on April 15, 2021. After such time, beginning April 16, 2021, Catena has initiated communication and lease negotiation with the unleased mineral interest owners which is ongoing.

SUPPLEMENTAL EXHIBIT C - Cases 21460 & 21483



April 15, 2021
 Via Certified Mail

Re: **Rambo 193517 1H Well Proposal**
Wolfcamp Formation
E2 of Section 17 T19S, 35E, and Section 8, T19S, R35E
Lea County, New Mexico

Rambo 193517 2H Well Proposal
Bone Springs Formation
E2 of Section 17 T19S, 35E, and Section 8, T19S, R35E
Lea County, New Mexico

Ladies and Gentlemen,

Catena Resources Operating, LLC ("Catena") as Operator hereby proposes to drill the following wells to a depth sufficient to test the Wolfcamp and Bone Spring formations:

Well Name	SHL Sec. 20	BHL Sec. 8	Spacing Unit 640 Acres	Target TVD	Estimated TMD
Rambo 193517 1H Wolfcamp Formation	FNL: 190' FEL: 1290'	FNL: 100' FEL: 1200'	E/2 of Section 17, T19S, 35E and Section 8, T19S, R35E	9,989'	20,698'
Rambo 193517 2H Bone Spring Formation	FNL: 190' FEL: 1390'	FNL: 100' FEL: 1200'	E/2 of Section 17, T19S, 35E and Section 8, T19S, R35E	9,740'	20,444'

These proposed locations and target depths are subject to change depending on any surface or subsurface concerns encountered.

Regarding the above, enclosed for your further handling are our AFE's dated April 16, 2020 for the proposed wells. The AFE's represent an estimate of the costs that will be incurred to drill and complete the wells, but those electing to participate in the wells are responsible for their proportionate share of the actual costs incurred. In the event you elect to participate in the proposed wells, please execute the enclosed AFE's and return to me. We are happy to furnish you with a proposed Joint Operating Agreement upon request. Please respond within 30 days of receiving this notice. If you do not wish to participate, Catena proposes to acquire your interest via oil and gas lease subject to due diligence and title verification satisfactory to Catena.

Should you have any questions regarding the above, please email me at stan@percussionpetroleum.com or call me at (346) 200-7894.

Sincerely,

Percussion Petroleum Operating, LLC


Stan Mitchell
 Sr. Landman

18402 US Hwy 281 N
 Suite 258
 San Antonio, TX 78259



210-319-7557
www.catenares.com
info@catenares.com

**SUPPLEMENTAL EXHIBIT D -
Case No. 21460**

		WELL COST ESTIMATE					BPE NO.	
		WELL NAME: FIELD NAME: LOCATION: COUNTY/ST: DISTRICTIVE:	Ranbo 193517 1H 20 sec Mirral, La B County, NM Walcamp		DATE: START DATE: COMPLETE DATE: ORIGINAL: SUPPLEMENT:	16-Apr-20		
INTANGIBLE COSTS		ACCT CODE	DRILLING - 310XX	ACCT CODE	COMPLETION - 320XX	ACCT CODE	FACILITIES - 330XX	TOTAL
Legal Fees / Title Opener	31001	\$46,000	32001	\$0	33001	\$0	\$0	\$46,000
Turnkeys / Staking / Permits / Bonds / Regulatory	31002	\$23,750	32002	\$0	33002	\$0	\$0	\$23,750
ROW / Surface Damages	31003	\$0	32003	\$0		\$0	\$0	\$0
Roads & Location / Reserve PA - Construction	31004	\$90,000	32004	\$0		\$0	\$0	\$90,000
Roads & Location / Reserve PA - Reclamation	31005	\$0	32005	\$0		\$0	\$0	\$0
Plex Pond	31008	\$0	32008	\$0		\$0	\$0	\$0
Gate Guard	31007	\$0	32007	\$0		\$0	\$0	\$0
Mudair / Washhole / Condenser	31009	\$19,000		\$0		\$0	\$0	\$19,000
Mobilization / Demobilization	31008	\$220,075	32008	\$0		\$0	\$0	\$220,075
Drilling - Daywork	31010	\$374,648		\$0		\$0	\$0	\$374,648
Drilling - Footage	31011	\$0		\$0		\$0	\$0	\$0
Drilling - Turnkey	31012	\$0		\$0		\$0	\$0	\$0
Completion / Snubbing / Workover Unit	31013	\$0	32009	\$40,000		\$0	\$0	\$40,000
Trailer House / Communications	31014	\$43,772	32010	\$24,200		\$0	\$0	\$67,972
Drill Bits	31015	\$103,000	32011	\$0		\$0	\$0	\$103,000
Directional Equipment / Gyro Surveys	31016	\$248,338	32012	\$0		\$0	\$0	\$248,338
Downhole Tool / Lubrication Rental	31017	\$27,075	32013	\$34,000		\$0	\$0	\$61,075
Mud / Chemicals	31018	\$272,490	32014	\$491,000		\$0	\$0	\$763,490
Fuel / Power	31018	\$15,452	32015	\$471,000		\$0	\$0	\$486,452
Water Supply/Water equipment	31020	\$3,603	32016	\$0		\$0	\$0	\$3,603
Water / Water Hauling	31021	\$0	32017	\$816,550		\$0	\$0	\$816,550
Offsite Water & Cuttings Disposal	31022	\$284,770	32018	\$30,500		\$0	\$0	\$315,270
Transportation / Hauling	31023	\$21,000	32019	\$0		\$19,000	\$0	\$40,000
Inspection / Tubular Testing	31024	\$107,000	32020	\$0		\$0	\$0	\$107,000
Laydown Machine / Casing Crew / Tongs	31025	\$43,180	32021	\$0		\$0	\$0	\$43,180
Cementing, Float Equipment & Services	31026	\$48,072	32022	\$0		\$0	\$0	\$48,072
Mud Logging	31027	\$28,343		\$0		\$0	\$0	\$28,343
Logging - Open Hole	31028	\$0	32023	\$0		\$0	\$0	\$0
Logging - Cased Hole	31028	\$0	32024	\$19,000		\$0	\$0	\$19,000
Coring & Analysis, Drill Stem Test	31030	\$0		\$0		\$0	\$0	\$0
Perforating	31031	\$0	32025	\$421,200		\$0	\$0	\$421,200
Wireline / Electric Services	31032	\$0	32026	\$19,000		\$0	\$0	\$19,000
Equipment Rental	31033	\$183,000	32027	\$238,000		\$0	\$0	\$421,000
Pumping Services/Rental	31034	\$0	32028	\$21,000		\$0	\$0	\$21,000
Acidizing & Fracturing	31035	\$0	32029	\$7,419,000		\$0	\$0	\$7,419,000
Coil Tubing Unit	31038	\$0	32030	\$120,000		\$0	\$0	\$120,000
Flow Testing, Swabbing	31037	\$0	32031	\$88,875		\$0	\$0	\$88,875
Flaring / Safety Services	31038	\$0	32032	\$0		\$0	\$0	\$0
Hoop Up / BOP Testing	31039	\$6,400	32033	\$33,000		\$0	\$0	\$39,400
Dwelland	31040	\$0	32034	\$18,000		\$0	\$0	\$18,000
Wellbore Consulting Services/Supervision	31041	\$170,838	32035	\$133,350		\$20,000	\$0	\$324,188
Engineering / Geological / Lab Service/Tracers and diagnostics	31042	\$25,000	32036	\$55,000		\$15,000	\$0	\$95,000
Rocklabour / Contract Labor	31043	\$6,480	32037	\$0		\$165,000	\$168,480	
Welding Services	31044	\$5,120	32038	\$0		\$0	\$0	\$5,120
Insurance	31045	\$10,000	32038	\$0		\$0	\$0	\$10,000
Miscellaneous	31048	\$0	32040	\$0		\$0	\$0	\$0
PBA Costs	31047	\$0	32041	\$0		\$0	\$0	\$0
Safety / EH&S	31048	\$0	32042	\$6,610		\$0	\$0	\$6,610
5% Contingency (8% Taxes on Casing included in casing cost)	31049	\$141,873	32043	\$311,200		\$10,500	\$0	\$463,573
NON-OP Drilling Intangible	31050	\$0	32044	\$0		\$0	\$0	\$0
Pipeline Installation / interconnect	31051	\$0	32045	\$0		\$0	\$0	\$0
TOTAL INTANGIBLE COSTS		\$2,981,223		\$6,889,281		\$270,500		\$9,171,307
TANGIBLE COSTS		ACCT CODE	DRILLING - 311XX	ACCT CODE	COMPLETION - 321XX	ACCT CODE	FACILITIES - 331XX	TOTAL
Conductor	Size	Feet	\$/FT	31101				
Surface Casing	13.3/8"			31102	\$68,600			\$68,600
1st Intermediate Casing / Liner	9.50"			31103	\$113,200			\$113,200
2nd Intermediate Casing / Liner				31104	\$0			\$0
Production Casing / Liner	6.1/2"	21,880	\$18.00					\$393,600
Casing Tool Back								
Liner Hanger Assembly								
Flaring	2.875	10,500	\$					\$10,500
Casing Equipment - OH&S / Etc				31105	\$12,000			\$12,000
Wellhead Equipment								
Pumping Unit / Prime Mover / Base								
Rods / Pony Rods / Sinker Bars								
Artificial Lift Other - Gas Lift								
Wellhead Equipment Completions - Production Tree								
Tanks / Tank Skips / Stairs								
Gas Treating / Dehydration Equipment								
Separation Equipment, Heater Treater								
Surface Pumps								
Filters								
Buildings								
Interconnect Piping / Manifolds / Headers								
Flowlines / Connections / Valves								
Automation / Instruments / Controls / Analyzers								
Electrical Equipment / Generators								
Compressor & Related Equipment								
Mechanical Equipment, LACT Unit								
Chemical Equipment / Cathodic Protection								
Subsurface Equipment - Packers, Plugs, TAC								
Safety / EH&S Equipment								
NON-OP Drilling Intangible								
Transfer/SWD Pump & Equipment								
Heat / Combustor								
Miscellaneous								
Contingency Costs								
TOTAL TANGIBLE COSTS			\$245,490		\$676,686		\$903,230	\$1,825,406
TOTAL WELL COSTS			\$3,226,713		\$7,565,967		\$1,173,730	\$11,966,410

Prepared by: Travis Salinas Title: Engineer

The AFE is only an estimate. By returning this signed copy, you agree to pay your share of the actual costs incurred.

Extra Expense Insurance
 I elect to be covered by Operator's Extra Expense insurance and pay my proportionate share of the premium.
 I elect to purchase my own well control insurance policy.

Joint Owner Name: _____ Amount: _____
 Joint Owner Name: _____ Signature: _____

**SUPPLEMENTAL EXHIBIT D -
Case No. 21483**

WELL COST ESTIMATE							AFE NO.	
		WELL NAME: Rambo 193517 2H	DATE: 18-Apr-20					
		RELD NAME:	START DATE:					
		LOCATION: 2 sec. lateral, Lea County, NM	COMPLETE DATE:					
		COUNTY/ST:	ORIGINAL:					
		OBJECTIVE: Bone Spring	SUPPLEMENT:					
INTANGIBLE COSTS		ACCT CODE	DRILLING - 310XX	ACCT CODE	COMPLETION - 320XX	ACCT CODE	FACILITIES - 330XX	TOTAL
Legal Fees / Title Opinion	31001	\$50,000	32001	\$0	33001	\$0	\$50,000	
Barveys / Staking / Permits / Bonds / Regulatory	31002	\$28,750	32002	\$0	33002	\$0	\$28,750	
ROW / Surface Damages	31003	\$80,000	32003	\$0		\$0	\$80,000	
Roads & Location / Reserve PE - Construction	31004	\$50,000	32004	\$0		\$0	\$50,000	
Roads & Location / Reserve PE - Reclamation	31005		32005	\$0		\$0	\$0	
Free Pond	31008		32006	\$0		\$0	\$0	
Gate Guard	31007		32007	\$0		\$0	\$0	
Mousses / Ratbats / Confusers	31008	\$19,000		\$0		\$0	\$19,000	
Mobilization / Demobilization	31009	\$230,875	32008	\$0		\$0	\$230,875	
Drilling - Daywork	31010	\$178,000		\$0		\$0	\$178,000	
Drilling - Footage	31011			\$0		\$0	\$0	
Drilling - Turkeys	31012			\$0		\$0	\$0	
Completions / Snubbing / Workover Unit	31013		32009	\$40,000		\$0	\$40,000	
Trailer House / Communications	31014	\$43,773	32010	\$24,200		\$0	\$67,973	
Drill Bits	31015	\$88,000	32011	\$0		\$0	\$88,000	
Directional Equipment / Gyro Surveys	31016	\$225,000	32012	\$0		\$0	\$225,000	
Downhole Tool / Stabilization Rental	31017	\$87,078	32013	\$24,000		\$0	\$111,078	
Mud / Chemicals	31018	\$200,000	32014	\$881,400		\$0	\$1,081,400	
Fuel / Power	31019	\$104,000	32015	\$471,000		\$0	\$575,000	
Water Supply Well equipment	31020	\$3,600	32016	\$0		\$0	\$3,600	
Water / Water Hauling	31021		32017	\$816,400		\$0	\$816,400	
Offsite Water & Cuttings Disposal	31022	\$243,000	32018	\$30,000		\$0	\$273,000	
Transportation / Hauling	31023	\$31,000	32019	\$0	33009	\$18,000	\$49,000	
Inspection / Tubular Testing	31024	\$80,664	32020	\$0		\$0	\$80,664	
Laydown Machines / Casing Crew / Tongs	31025	\$50,240	32021	\$0		\$0	\$50,240	
Cementing, Post Equipment & Services	31026	\$87,410	32022	\$0		\$0	\$87,410	
Mud Logging	31027	\$35,343		\$0		\$0	\$35,343	
Logging - Open Hole	31028		32023	\$0		\$0	\$0	
Logging - Cased Hole	31029		32024	\$13,000		\$0	\$13,000	
Coring & Analysis, Drill Stem Test	31030			\$0		\$0	\$0	
Perforating	31031		32025	\$431,200		\$0	\$431,200	
Wellhead / Blowline Services	31032		32026	\$18,000		\$0	\$18,000	
Equipment Rental	31033	\$149,000	32027	\$224,000		\$0	\$373,000	
Pumping Services/Rental	31034		32028	\$21,000		\$0	\$21,000	
Acidizing & Fracturing	31035		32029	\$7,175,000		\$0	\$7,175,000	
Coil Tubing Unit	31038		32030	\$120,000		\$0	\$120,000	
Flow Testing, Swabbing	31037		32031	\$89,878		\$0	\$89,878	
Reaming / Smeatack Services	31038		32032	\$0		\$0	\$0	
Nipple Up / BOPE Testing	31039	\$4,400	32033	\$22,000		\$0	\$26,400	
Overhead	31040	\$9,000	32034	\$18,500		\$0	\$27,500	
Wellsite Consulting Services/Supervision	31041	\$159,881	32035	\$133,950	33003	\$20,000	\$313,831	
Engineering / Geological / Lab Services/Tracers and diagnostics	31042	\$25,000	32036	\$38,000		\$15,000	\$78,000	
Roughneck / Contract Labor	31043	\$6,400	32037	\$0	33004	\$160,000	\$166,400	
Welding Services	31044	\$6,325	32038	\$0		\$0	\$6,325	
Insurance	31045	\$10,000	32039	\$0	33005	\$0	\$10,000	
Miscellaneous	31048		32040	\$0	33008	\$0	\$0	
P&A Costs	31047		32041	\$0		\$0	\$0	
Safety / EH&S	31046		32042	\$8,610	33007	\$0	\$8,610	
5% Contingency (8% Tax on Casing included in casing cost)	31048	\$141,200		\$11,200		\$10,000	\$162,400	
NON-OP Drilling Intangible	31050		32044	\$0		\$0	\$0	
Casing Installation Intangibles	31051		32045	\$0	33008	\$0	\$0	
TOTAL INTANGIBLE COSTS		\$2,788,574		\$5,669,285		\$220,500	\$8,678,359	
TANGIBLE COSTS		ACCT CODE	DRILLING - 310XX	ACCT CODE	COMPLETION - 320XX	ACCT CODE	FACILITIES - 330XX	TOTAL
Conductor	Size	Feet	WT	31101				
Surface Casing	13 3/8"			31102	\$88,000			\$88,000
1st Intermediate Casing / Liner	9 5/8"			31103	\$113,200			\$113,200
2nd Intermediate Casing / Liner				31104				\$0
Production Casing / Liner	5 1/2"	20,150	119.00			32104		\$2,397,600
Casing Tie Back						32102		\$0
Liner Hanger Assembly						32103		\$0
Tubing	2 3/8"	10,000	1	32104	\$50,000			\$50,000
Casing Equipment - OHMS / Etc.				32105	\$31,200			\$31,200
Wellhead Equipment				32106	\$27,000			\$27,000
Pumping Unit / Prime Mover / Base				31105	\$24,750			\$24,750
Rods / Pony Rods / Sinker Bars				32107	\$0	33101	\$0	\$0
Artificial Lift Other - Gas Lift				32108	\$0	33102	\$0	\$0
Wellhead Equipment Completions - Production Tree				32109	\$14,000			\$14,000
Trunks / Tank Steps / Stairs				32110	\$42,000	33104	\$0	\$42,000
Gas Treating / Dehydration Equipment				32111	\$0	33105	\$68,000	\$68,000
Separation Equipment, Heater Treater				32112	\$0	33106	\$0	\$0
Surface Pumps				32113	\$0	33107	\$68,200	\$68,200
Flares				32114	\$0	33108	\$3,000	\$3,000
Buildings				32115	\$0	33109	\$0	\$0
Interconnect Piping / Manifolds / Headers				32116	\$0	33110	\$0	\$0
Roadways / Driveways / Valves				32117	\$0	33111	\$60,000	\$60,000
Automation / Instruments / Controls / Analyzers				32118	\$0	33112	\$48,800	\$48,800
Electrical Equipment / Generators				32119	\$0	33113	\$18,000	\$18,000
Compressor & Related Equipment				32120	\$0	33114	\$52,000	\$52,000
Metering Equipment, LACT Unit				32121	\$0	33115	\$0	\$0
Chemical Equipment / Cathodic Protection				32122	\$0	33118	\$104,000	\$104,000
Subsurface Equipment - Packer, Plug, TAC				32123	\$0	33117	\$0	\$0
Safety / EH&S Equipment				32124	\$19,000	33110	\$0	\$19,000
NON-OP Drilling Intangible				32125	\$4,000	33119	\$18,000	\$22,000
Transfer/SWD Pumps & Equipment				32126	\$0	33120	\$0	\$0
Rare / Combustor				32127	\$0	33121	\$19,000	\$19,000
Miscellaneous				32128	\$0	33122	\$19,000	\$19,000
Contingency Costs				31106	\$11,600	32129	\$24,410	\$36,010
				31107	\$20,240	33124	\$0	\$20,240
TOTAL TANGIBLE COSTS		\$2,220,240		\$813,670		\$483,220	\$3,517,130	
TOTAL WELL COSTS		\$2,929,764		\$6,482,955		\$703,720	\$10,116,439	
Prepared by: Frank Salinas		Title: Engineer						
This AFE is only an estimate. By returning one signed copy, you agree to pay your share of the actual costs incurred.								
Extra Expense Insurance								
<input type="checkbox"/> I elect to be covered by Operator's Extra Expense Insurance and pay my proportionate share of the premium								
<input type="checkbox"/> I elect to purchase my own well control insurance policy								
Other tax is checked above, non-operating working interest owner elects to be covered by Operator's well control insurance								
Joint Owner Interest:		Amount:						
Joint Owner Name:		Signature:						