

JAMES C. WHITTEN

PETROLEUM GEOLOGIST

502 Oil & Gas Bldg.

1240 DIBALTAR BLVD. • MIDLAND, TEXAS 79701 • PHONE, OFFICE 915-682-9621

MESSAGE

REPLY

TO Oil Conservation Division
P.O. Box 2088

Santa Fe New Mexico 87501

DATE 3-24-83 Attn. Mr. Dick Sternets

Dear Dick:

Per NMOC D Order R-7154 I
am enclosing an AFE for the
Discovery Operating Inc. No. 1
Luther Cooper Est. which will
be spudded before the end of
this week.

Regards
James C. Whitten

DATE

CASE 7743

BFL

BY

AUTHORITY FOR EXPENDITURE

DRILLING AND COMPLETION

Operator: <u>Discovery Operating, Inc.</u>	State: <u>Texas</u>	AFE # _____
Well Name: <u>Luther Cooper Estate No. 1</u>	County: <u>Lea</u>	Net W.I. _____%
Contract Depth: <u>12,650'</u>	Field: <u>Knowles</u>	Net R.I. _____%
Formation: <u>Devonian</u>		

DRILLING (Time - days)

	Tangible	Intangible	Total Cost
Survey, build site & road	\$ _____	\$ 15,000	\$ 15,000
Conductor Casing, " @ \$ _____ per foot	_____	-	-
Cement, accessories & service	_____	-	-
Surface Casing, 13 3/8 " 450 ' @ \$ 16.00 per foot TRK = 500	7,200	500	7,700
Cement, accessories & service	_____	4,500	4,500
Protective Casing, 8 5/8 " 4,900 ' @ \$ 10.00 per foot Incl. TRK	49,900	-	49,900
Cement, accessories & service	_____	12,000	12,000
Casing Heads, valves & fittings	5,000	-	5,000
Mud, water, oil & chemicals Mud = \$27,000 Wtr = \$8,000 Oil = \$5,000	_____	40,000	40,000
Coring and core analysis	_____	-	-
Mud hydrocarbon logging, 15 days @ \$400.00 per day	_____	6,000	6,000
Formation testing, 3 tests @ \$3,000 per test	_____	9,000	9,000
Electrical logging	_____	20,000	20,000
Daywork on Contract, 2 days @ \$7,000 per day	_____	14,000	14,000
Special tools, bits & rentals Drlg. O/H, Geo & Eng	_____	5,000	5,000
Footage on Contract 12,600 feet @ \$ 20.00 per foot	_____	252,000	252,000
Misc. services, supplies & labor	_____	9,900	9,900
Total Drilling Cost	\$ 62,100	\$ 387,900	\$ 450,000
Net Cost	\$ _____	\$ _____	\$ _____

COMPLETION (Time - days)

Production Casing, 5 1/2 " 12,500' @ \$ 5.50 per foot	\$ 68,750	\$ 2,000	\$ 70,750
Cement, accessories & service	_____	14,000	14,000
Production Liner, " @ \$ _____ per foot	_____	-	-
Cement, accessories & service	_____	-	-
Casing Heads, valves & fittings	3,000	-	3,000
Packers, accessories & service	1,500	2,500	4,000
Production Tubing, N-80 2 7/8" 12,400' @ \$4.50 per foot	55,800	-	55,800
Perforating services & logs	_____	12,000	12,000
Treating services & supplies At 10,000 gals.	_____	12,000	12,000
Well Servicing Rig, 10 days @ \$1,200 per day	_____	12,000	12,000
Artificial Lift Facilities, Type -	80,000	-	80,000
Misc. services, supplies & Labor	_____	10,450	10,450
Total Completion Cost	\$ 209,050	\$ 64,950	\$ 274,000
Net Cost	\$ _____	\$ _____	\$ _____

LEASE FACILITIES

Build site & road	\$ _____	\$ 2,000	\$ 2,000
Tanks & accessories 4 Steel 210 BIs, 1400 Bbl Fiberglass	16,000	-	16,000
Separators & accessories Cost into a SWD System	20,000	20,000	40,000
Heaters, Treaters & accessories	7,000	-	7,000
Line Pipe, flow & other	3,000	-	3,000
Valves & fittings	3,000	3,000	3,000
Misc. services, supplies & labor	_____	4,000	4,000
Total Lease Facilities Cost	\$ 49,000	\$ 26,000	\$ 75,000
Net Cost	\$ _____	\$ _____	\$ _____

SUMMARY OF COST

Drilling Cost	\$ 62,100	\$ 387,900	\$ 450,000
Completion Cost	209,050	64,950	274,000
Total	\$ 271,150	\$ 452,850	\$ 724,000
Lease Facilities Cost	\$ 49,000	\$ 26,000	\$ 75,000
GRAND TOTAL COST	\$ 320,150	\$ 478,850	\$ 799,000
NET COST	\$ _____	\$ _____	\$ _____

APPROVAL

Engr.	Date	Expl.	Date	Op. Supt.	Date	Div. Mgr.	Date	Gen. Mgr.	Date