

AFE: Chi Operating, Inc. - Drill Well
Prospect: State "Q" #2
Legals: Sec 34-T21S-R26E, 660' FSL & 1980' FWL, Eddy County, NM

Codes:	Description:						Daywork
101	Survey & Permit						2,000.00
102	Damages						6,500.00
103	Road & Location						25,000.00
104	Rig Move						40,000.00
105	Drig-Footage Ft x \$	Ft.:		Rate:			
106	Drig-Daywork Day x \$	Days:	43	Rate:	8520		366,360.00
113	Bits & Reamers						54,000.00
107	Cmt/Hardware-Surface	Ft.:	500	Size:	13 3/8"		9,000.00
108	Cmt/Hardware-Intermediate	Ft.:	4800	Size:	8 5/8"		18,000.00
108	Cmt/Hardware-Pres. String.	Ft.:		Size:			0.00
124	Casing Crews						2,500.00
109	Coring/core analysis						20,000.00
110	DST						4,500.00
111	Drig. Fluid						50,000.00
112	Water						20,000.00
114	Geological & Expenses.						0.00
115	Engineering & Expenses						1,000.00
115	Supervision						32,200.00
116	Mud Logging						28,000.00
117	Open Hole Logging						35,000.00
118	Equip. Rental						16,000.00
119	Trucking						5,000.00
120	Labor						5,000.00
121	Legal						20,000.00
122	Overhead						9,100.00
123	Insurance & Bonds						2,200.00
125	P & A						15,000.00
128	Fuel						46,000.00
126	Misc./Contingencies		7%				21,630.00
	Sub-Intangibles Drig.						838,990.00
201	Casing - Surface	Ft.:	500	Size:	13 3/8"	\$/FT 30.00	15,000.00
202	Casing - Intermediate	Ft.:	4800	Size:	9 5/8"	\$/FT 24.00	115,200.00
204	Casing - Pres. String	Ft.:		Size:		\$/FT	0.00
203	Wellhead/Surface/Int.						4,500.00
216	Misc./Contingencies		7%				9,429.00
	Sub-Tangible Drig.						144,129.00
	Dry Hole						996,119.00
308	Cement/hardware-Production	Ft.:	11900	Size:	5 1/2"		25,000.00
324	Casing Crews						5,000.00
302	Anchor						1,000.00
303	Location						5,000.00
305	Completion Unit	Days:	12	Rate:	2200		26,400.00
306	Logging/Perforating						15,000.00
307	Slickline/Wireline						3,500.00
309	Acidizing						15,000.00
310	Fracturing						100,000.00
311							0.00
312	Water						5,000.00
318	Equipment Rental						8,000.00
315	Engineering/Suprvsion & Expenses						4,700.00
319	Trucking						5,000.00
320	Labor						8,000.00
321	Legal						8,000.00
322	Overhead						3,000.00
326	Misc./Contingencies		7%				16,632.00
	Sub-Intangible Completion.						254,232.00
402	Casing-Production	Ft.	11900	Size	5 1/2"	\$/FT 13.00	154,700.00
403	Casing/Tbg. Head						4,000.00
403	Wellhead						6,500.00
404	Tubing	Ft.	11900	Size	2 3/8"	\$/FT 4.25	50,575.00
405	Rods & Pmp						0.00
406	Pumpg Unit/Motor						0.00
407	Heater						0.00
408	Separator						0.00
409	Tanks - Production						20,000.00
410	Valve & Fittings						5,000.00
411	Flowlines						54,000.00
412	Down hole tools: Pkr,TAC, Etc.,Etc.						3,200.00
413	Dehy Unit						0.00
414	Meter						0.00
415	Meter Run						0.00
417	Stack						25,000.00
416	Misc./Contingencies		7%				22,608.25
	Sub-Tangible Completion.						345,583.25
Total AFE							1,582,934.25

set deepint.

NO PSI STRIPS

OIL CONSERVATION DIVISION
CASE NUMBER
EXHIBIT NUMBER 6

____ Agreed to & accepted this
____ day of _____, 2004

____ Non-Consent this
____ day of _____, 2004

____ Company

____ Signature

____ Print

____ Title