## J.W.MULLOY ASSOCIATES, INC.

## Engineering & Consulting 508 West Wall #100

Midland, Texas 79701 Phone: (432) 687-0323 Fax: (432) 686-7224

	Matrix New Mexico Operating Company, LLC		Well Name	e:	Townsend #3			Pate:	12/14/2004
Location: Field:	NE/4SE/4 Sec 10 T13S R38E Bronco (Wolfcamp)		County: Formation:		Lea Wolfcamp		State: Depth:		New Mexico 9,800
Code	DRILLING		Time in d	ays:	28		Tangible	Intangible	Total Cos
D1	Survey, Build Site, Road & Surface Damages							\$25,000	\$25,000
D5	Surface Casing	13 3/8	", 450	'@	\$27.00	per foot	\$12,150		\$12,150
D6	Cement, Accessories & Service							\$10,000	\$10,000
<b>D</b> 7	Protective Casing	8 5/8	", 4,500	'@	\$20.00	per foot	\$90,000		\$90,000
D8	Cement Acessories & Service							\$20,000	\$20,000
D13	Casing Heads, Valves & Fittings						\$5,500		\$5,500
D14	Mud, Water, Oil & Chemicals							\$40,000	\$40,000
D15	Mud Hydrocarbon Logging	10	days	(a)	\$750.00	per day		\$7,500	\$7,500
D17	Electrical Logging							\$15,000	\$15,000
D18	Daywork On Contract	3	days	(a)	\$7,200.00	per day		\$21,600	\$21,600
D19	Footage On Contract	9800	feet	@	\$25.00	per foot		\$245,000	\$245,000
D23	Special Tools, Bits & Rentals							\$15,000	\$15,000
D24	Supervision, Engineering	30	days	(a)	\$750.00	per day		\$22,500	\$22,500
D25	Supervision, Geological	10	days	@	\$750.00	per day		\$7,500	\$7,500
D26	Drilling Overhead	1	month	@	\$5,000.00	per mo		\$5,000	\$5,000
D27	Misc. Services, Supplies & Labor @ 10%					_	\$11,000	\$43,500	\$54,500
	Total Drilling Costs		-,			-	\$118,650	\$477,600	\$596,250
	ABANDONMENT								
	Cost To Abandon								\$20,000
	Total Dry Hole Costs	<del></del>						\$477,600	\$616,250
	COMPLETION		Time in d	ays:	10				
C1	Production Casing/Liner	5 1/2	", 9,800	'@	\$12.50	per foot	\$122,500		\$122,500
C2	Cement, Accessories & Service w/Hanger							\$20,000	\$20,000
C3	Casing Heads, Valves & Fittings						\$5,000		\$5,000
C4	Packers, Accessories & Service							\$3,000	\$3,000
C5	Production Tubing	2 3/8	9,800	'@	\$4.20	per foot	\$41,160		\$41,160
C6	Perforating Service & Logs							\$3,500	\$3,500
C7	Treating Services & Supplies							\$12,500	\$12,500
C8	Well Servicing Rig	10	days	a	\$2,500.00	per day		\$25,000	\$25,000
C9	Artificial Lift Facilities w/rods, pump & accessories	3						\$75,000	\$75,000
	Supervision, Engineering	12	days	a,	\$750.00	per day		\$9,000	\$9,000
C11	Special Tools, Bits & Rentals		•	•		. ,		\$5,000	\$5,000
C12	Misc. Services, Supplies & Labor @ 10%						\$17,000	\$15,300	\$32,300
	Total Completion Cost						\$185,660	\$168,300	\$353,960
	LEASE FACILITIES		Time In D	avs:	5				
F1	Build Site & Road			,				\$2,000	\$2,000
F2	Tanks & Accessories						\$15,000	72,000	\$15,000
F4	Heaters, Treaters & Accessories						\$5,000		\$5,000
F5	Line Pipe, Flow & Other						\$2,500		\$2,500
F6	Valves & Fittings						\$10,000		\$10,000
F7	Supervision, Engineering	4	days	@	\$750.00	per day	<b>4.</b> 0,000	\$3,000	\$3,000
F8	Misc. Services, Supplies & Labor	,	,5	(7)	4,50,00	por any	\$3,000	\$4,000	\$7,000
	Total Lease Facilities Cost						\$35,500	\$9,000	\$44,500
	SUMMARY OF COST								
	Drilling Cost		•				\$118,650	\$477,600	\$596,250
	Completion Cost						\$185,660	\$168,300	\$353,960
	Total					=	\$304,310	\$645,900	\$950,210
	Lease Facilities Cost						\$35,500	\$9,000	\$44,500
	GRAND TOTAL COST						\$339,810	\$654,900	\$994,710
			Appro	val:					

ORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
No.'s 13419 & 13420 Exhibit No. 4
Submitted by:
Matrix New Mexico Holdings, L.L.C.
Hearing Date: February 17, 2005

## J.W.MULLOY ASSOCIATES, INC.

## Engineering & Consulting 508 West Wall #100 Midland, Texas 79701

Phone: (915) 687-0323 Fax: (915) 686-7224

Oneretore	Matrix New Mexico Operating Company, LLC		<b>W</b> ali	l Name	.•	Townsend #2		I	Date:	12/13/2004
	SE/4NE/4 Sec 10 T13S R38E			ntv:	•	Lea			State:	New Mexico
Field:	Bronco (Wolfcamp)		Formation:		:	Wolfcamp		İ	Depth:	
Code	DRILLING		Tin	ne in da	ıys:	28		Tangible	Intangible	Total Cost
D1	Survey, Build Site, Road & Surface Damages								\$25,000	\$25,000
D5	Surface Casing 13	3 3/8	",	450	'@	\$27.00	per foot	\$12,150		\$12,150
D6	Cement, Accessories & Service								\$10,000	\$10,000
<b>D7</b>	Protective Casing 8	8 5/8	",	4,500	'@	\$20.00	per foot	\$90,000		\$90,000
D8	Cement Acessories & Service						-		\$20,000	\$20,000
D13	Casing Heads, Valves & Fittings							\$5,500		\$5,500
D14	Mud, Water, Oil & Chemicals								\$40,000	\$40,000
D15	Mud Hydrocarbon Logging	10		days	(a)	\$750.00	per day		\$7,500	\$7,500
D17	Electrical Logging								\$15,000	\$15,000
D18	Daywork On Contract	3		days	(a)	\$7,200.00	per day		\$21,600	\$21,600
D19	Footage On Contract 98	800		feet	(a)	\$25.00	per foot		\$245,000	\$245,000
D23	Special Tools, Bits & Rentals						_		\$15,000	\$15,000
D24	Supervision, Engineering	30		days	(a)	\$750.00	per day		\$22,500	\$22,500
D25	Supervision, Geological	10		days	(a)	\$750.00	per day		\$7,500	\$7,500
D26	Drilling Overhead	1	1	month	(a)	\$5,000.00	per mo		\$5,000	\$5,000
D27	Misc. Services, Supplies & Labor @ 10%				• • •		•	\$11,000	\$43,500_	\$54,500
	Total Drilling Costs						=	\$118,650	\$477,600	\$596,250
	ABANDONMENT Cost To Abandon									\$20,000
	Total Dry Hole Costs								\$477,600	\$616,250
	COMDI ETION		Ti-	aa in da		10				
C1	COMPLETION Production Casing/Liner 5	5 1/2		ne in da 9,800	<u>(a)</u>	\$12.50	per foot	\$122,500		\$122,500
C2	Cement, Accessories & Service w/Hanger	112	,	<b>&gt;,</b> 000	(eg	<b>\$12.50</b>	per root	\$122,500	\$20,000	\$20,000
C3	Casing Heads, Valves & Fittings							\$5,000	<b>\$20,000</b>	\$5,000
C3 C4	Packers, Accessories & Service							\$3,000	\$3,000	\$3,000
C5		2 3/8	(	9,800	'@	\$4.20	per foot	\$41,160	\$5,000	\$41,160
C6	Perforating Service & Logs	2 3/0		7,000	w	J4.20	per root	<b>₽</b> ₹1,100	\$3,500	\$3,500
C7	Treating Services & Supplies								\$12,500 \$12,500	\$12,500
C8		10		dove	<b>@</b>	\$2,500.00	nor day		\$12,300 \$25,000	\$25,000
C9	Well Servicing Rig Artificial Lift Facilities w/rods, pump & accessories	10		days	<b>@</b>	\$2,300.00	per day		\$25,000 \$75,000	\$25,000 \$75,000
C10	· • •	12		dava	<u></u>	\$750.00	mar day		\$9,000	\$9,000
C10 C11	Supervision, Engineering	12		days	(a)	\$730.00	per day		\$5,000 \$5,000	\$5,000
C11	Special Tools, Bits & Rentals Mice Services Supplies & Labor @ 109/							\$17,000		
CIZ	Misc. Services, Supplies & Labor @ 10%  Total Completion Cost						=	\$17,000 \$185,660	\$15,300 \$168,300	\$32,300 \$353,960
	Total Completion Cost							3103,000	3100,300	\$333,700
	LEASE FACILITIES		Tim	e In Da	ıys:	5				40.000
F1	Build Site & Road								\$2,000	\$2,000
F2	Tanks & Accessories							\$15,000		\$15,000
F4	Heaters, Treaters & Accessories							\$5,000		\$5,000
F5	Line Pipe, Flow & Other							\$2,500		\$2,500
F6	Valves & Fittings			_	_			\$10,000		\$10,000
F7	Supervision, Engineering	4		days	(a)	\$750.00	per day		\$3,000	\$3,000
F8	Misc. Services, Supplies & Labor						=	\$3,000	\$4,000	\$7,000
	Total Lease Facilities Cost			<del></del>		<del></del>	<del></del>	\$3 <u>5,500</u>	\$9,000	\$44,500
	SUMMARY OF COST							_		
**	Drilling Cost							\$118,650	\$477,600	\$596,250
	Completion Cost							\$185,660	\$168,300	\$353,960
	Total						=	\$304,310	\$645,900	\$950,210
	Lease Facilities Cost							\$35,500	\$9,000	\$44,500
	GRAND TOTAL COST						=	\$339,810	\$654,900	\$994,710
	CALL IN A CARD COOL							JJJ/,UIU	\$0J <b>7</b> ,700	#77 <del>7</del> 9/10

Company\_\_\_\_\_\_(This AFE is an estimate only-Invoicing will be on actual cost.)

By:

Name/Title: Date