

Seguro Oil & Gas

Authority For Expenditure (Day Work)

Well Name	WSL 33 Fed P # 1			Lease			AFE Date			6/10/2019
Field	San Andres	County	Eddy	State	NM	Objective	San Andres			
Location Surface Legals		T16S-R30E, Sec 4, 990' FSL & 990' FEL				BH Legals				
Purpose Of Expenditure		Day Work - Drill and case new well to 4400'. No Complete or Facilities								

AFE Code	Intangible Expense			Drilling Cost	Completion Cost	Total Cost
220/101	Staking & Permitting			\$15,000		\$15,000
220/102, 310	Location, Roads, Reserve & Frac Pits, Liners, Conductor & MH Set			\$73,200	\$1,800	\$75,000
220/103, 311	Mobilization/Demobilization			\$25,000	\$4,022	\$29,022
220/104	Contract Drilling-Daywork	7 Days	11,000 \$/Day	\$77,000		\$77,000
220/105	Contract Drilling-Footage	0 ft	0 \$/Ft			\$0
220/100	Contract Drilling-Turnkey					\$0
220/301	Completion Rig & CTU: Rig & drillout BHA	11 Days	3000 \$/Day		\$33,000	\$33,000
220/301	Cavitation Rig	Days	\$/Day			\$0
220/106	Fuel, Power & Lubricants	7 Days	1800 \$/day	\$12,600	\$2,400	\$15,000
220/107, 313	Bits, Motors, Reamers & Stabilizers			\$16,250	\$750	\$17,000
220/108, 314	Drilling & Completion Fluids (Mud)			\$12,000	\$2,000	\$14,000
220/302	Casing Crews, Tongs, Handling Tools, LD Machine			\$6,000		\$6,000
220/109, 315	Misc Labor, Rentals, Contract Services & Trucking			\$26,830	\$3,870	\$30,500
220/110, 308	Cement, Cmt Services			\$23,460		\$23,460
220/111	Close Loop All - Centrifuge, Bins, Tractor, Personell, Solids & Liquids Disposal Services			\$40,300		\$40,300
220/124, 303	Drill Water, Frac Water, Transfer Pumps, Poly and Pit Fill Equipment			\$13,400		\$13,400
220/112	Mud Logging	6 Days	1,500 \$/Day	\$9,000		\$9,000
220/113	Open Hole Logging, Sidewall Cores, Processing			\$42,000		\$42,000
220/304, 306	CH Logs & CBL, Perf, Plugs, Tool Set, Other WL				\$20,000	\$20,000
220/305	Tubular Testing and Inspection			\$3,000		\$3,000
220/307	Acidization, Fracturing & Stimulation	Treatment @ \$/Ft			\$115,000	\$115,000
220/114,316	Rentals Tools & Equipment			\$6,500	\$3,500	\$10,000
220/115	Directional Drilling Services & Geosteering					\$0
220/117, 317	Housing, Communications, Domestic Support Equipment			\$10,000	\$2,000	\$12,000
220/120, 318	Company Overhead and Well Insurances					\$0
220/119, 309	Engineering & Onsite Supervision			\$18,630	\$19,350	\$37,980
220/121, 319	Intangible Contingencies	10%		\$43,017	\$20,749	\$63,766
Total Intangible Cost				\$473,187	\$228,241	\$701,428

AFE Codes	Tangible Expense			Drilling Cost	Completion cost	Total Cost
230/105	Conductor Casing	14"	40	Ftg	Per Ft.	\$0
230/102	Surface Casing	8 5/8 24# J55 STC	400	Ftg	\$16.40 Per Ft.	\$6,560
230/103	Intermediate Casing			Ftg	Per Ft.	\$0
230/104	Intermediate II Casing			Ftg	Per Ft.	\$0
230/301	Production Liner			Ftg	Per Ft.	\$0
230/302	Production Casing	5 1/2" 16.5# J55 LTC	4,400	Ftg	\$10.62 Per Ft.	\$46,728
230/303	Tubing	2 3/8" J55 8R EUE	4,400	Ftg	\$3.67 Per Ft.	\$16,148
230/304	Wellhead Equipment & Production Tree			\$8,393	\$8,900	\$507
230/305	Float Equipment, Centralizers, Toe Valve			\$3,000	\$4,700	\$1,700
230/306	Production Packer & Nipples				\$3,000	\$3,000
230/307	Meters & Flowlines				\$12,000	\$12,000
230/308	Tank Battery & Storage/Transfer Pump					\$0
230/309	Vessels - 4' x 20' Vert Htr, 30" x 10' 2 PH Vert Sep, 2-500 bbl Coated Wtr Tnk, 1-500 bbl w/ 18" Coat Oil Tnk					\$0
230/499	40' x 75' Plastic Lined Dirt Containment					\$0
230-311	C-228-246-86 Pump Jack, Base, Weights, POC, Delivery, Installation				\$20,000	\$20,000
230/312	TAC, Rod & Pump				\$12,000	\$12,000
230/399	Tangible Contingencies	10%		\$6,468	\$7,675	\$14,143
Total Tangible Cost				\$71,149	\$84,423	\$155,572

Total Well Cost with Contingencies

\$544,337 **\$312,663** **\$857,000**

Date: 6/10/2019 Generated By: Jay Thomas

Operator Approval

Company

Date: Approved By:

Position or Title

Working Interest Percentage Other

Case No. 20253

SEGURO OIL & GAS
Exhibit #14