AUTHORITY FOR EXPENDITURE
DRILLING

WELL NAME: BURKETT 16 STATE #15H	PROSPECT NAME: FREN
Surf. 330' FNL, 1470' FEL, Section 16	COUNTY & STATE: Eddy Co. NM
BHL. 330' FNL, 330' FWL, Section 16	OBJECTIVE: 9575' MD, (6300' TVD) Yeso Test
T17S, R31E	

INTANGIBLE COSTS		BCP		ACP	TOTAL
Title/Curative/Permit	201	10,000			10,000
Insurance	202	22,000	302		22,000
Damages/Right of Way	203	15,000	303		15,000
Survey/Stake Location	204	3,000	304		3,000
Location/Pits/Road Expense	205	40,000	305	15,000	55,000
Drilling / Completion Overhead	206	5,000	306	1,000	6,000
Turnkey Contract	207		307		0
Footage Contract	208		308		0
Daywork Contract 20:4 @ $14000/day	209	280,000	309	56,000	336,000
Directional Drilling Services	210	175,000	310		175,000
Fuel & Power	211	59,500	311	11,900	71,400
Water	212	25,000	312	60,000	85,000
Bits	213	45,000	313	1,000	46,000
Mud & Chemicals	214	50,000	314		50,000
Drill Stem Test	215		315		0
Coring & Analysis	216				0
Cement Surface	217	35,000			35,000
Cement Intermediate	218	20,000			20,000
Cement Production 5-1/2"	218		319	35,000	35,000
Cement Squeeze & Other (Kickoff Plug)	220		320		0
Float Equipment & Centralizers	221	4,000	321	25,000	29,000
Casing Crews & Equipment	222	12,000	322	12,000	24,000
Fishing Tools & Service	223		323		0
Geologic/Engineering	224	10,000	324	1,000	11,000
Contract Labor	225	10,000	325	21,000	31,000
Company Supervision	226	2,000	326	2,000	4,000
Contract Supervision	227	32,000	327	6,400	38,400
Testing Casing/Tubing	228	5,000	328	12,000	17,000
Mud Logging Unit	229	16,000	329		16,000
Logging	230	20,000	330		20,000
Perforating/Wireline Services	231	3,500	331		3,500
Stimulation/Treating			332	1,500,000	1,500,000
Completion Unit			333	24,000	24,000
Swabbing Unit			334		0
Rentals-Surface	235	35,000	335	75,000	110,000
Rentals-Subsurface	236	35,000	336	10,000	45,000
Trucking/Forklift/Rig Mobilization	237	70,000	337	20,000	90,000
Welding Services	238	5,000	338	2,500	7,500
Water Disposal	239		339	20,000	20,000
Plug to Abandon	240		340		0
Seismic Analysis	241		341		
Closed Loop & Environmental	244	75,000	344		75,000
Miscellaneous	242	5,000	342	1,000	6,000
Contingency	243	113,000	343	192,200	305,200
TOTAL INTANGIBLES		1,237,000		2,104,000	3,341,000

TANGIBLE COSTS		BCP		ACP	TOTAL
Surface Casing 450' 13 3/8"	401	15,300			15,300
Intermediate Casing 1350' 9 5/8" 36#	402	35,262	503		35,262
Production Casing/Liner 5 1/2" 17# x 7" 26#			503	206,800	206,800
Tubing 4300' 2 7/8"			504	25,800	25,800
Wellhead Equipment	405	8,000	505	15,000	23,000
Pumping Unit			506	40,000	40,000
Prime Mover			507	20,000	20,000
Rods			508		0
Pumps			509	10,000	10,000
Tanks			510	27,825	27,825
Flowlines			511	5,000	5,000
Heater Treater/Separator			512	48,500	48,500
Electrical System			513	2,500	2,500
Packers/Anchors/Hangers	414		514	310,000	310,000
Couplings/Fittings/Valves	415	2,500	515	45,250	47,750
Gas Compressors/Meters			516	4,000	4,000
Dehydrator			517		0
Injection Plant/CO2 Equipment			518		0
Miscellaneous	419	1,000	519	21,000	22,000
Contingency	420	7,938	520	79,325	87,263
TOTAL TANGIBLES		70,000		861,000	931,000
TOTAL WELL COSTS		1,307,000		2,965,000	4,272,000

COG Operating LLC

By: C. Elliott   Date Prepared: 02/29/2012

We approve:
_____% Working Interest

Company:
By:

Printed Name:
Title:
Date:

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NMOCD CASE NO. 14815
APRIL 26, 2012
COG EX. 4

AUTHORITY FOR EXPENDITURE
DRILLING

WELL NAME: BURKETT 16 STATE #15H — PROSPECT NAME: FREN
Surf. 330' FNL, 1470' FEL, Section 16 — COUNTY & STATE: Eddy Co. NM
BHL. 330' FNL, 330' FWL, Section 16 — OBJECTIVE: 9575' MD, (6300' TVD) Yeso Test
T17S, R31E

INTANGIBLE COSTS		BCP		ACP	TOTAL
Title/Curative/Permit	201	10,000			10,000
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Drill Stem Test	215		315		0
Coring & Analysis	216				0
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Cement Intermediate	218	20,000			20,000
Cement Production 5-1/2"	218		319	35,000	35,000
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TOTAL TANGIBLES		70,000		861,000	931,000
TOTAL WELL COSTS		1,307,000		2,965,000	4,272,000

COG Operating LLC

By: C. Elliott — Date Prepared: 02/29/2012

We approve:
_____% Working Interest

Company:
By:

Printed Name:
Title:
Date:

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AUTHORITY FOR EXPENDITURE
DRILLING

WELL NAME: **BURKETT 16 STATE #16H**	PROSPECT NAME: FREN
Surf. 990' FNL, 1470' FEL, Section 16	COUNTY & STATE: Eddy Co. NM
BHL 990' FNL, 330' FWL, Section 16	OBJECTIVE: 9575' MD, (6300' TVD) Yeso Test
TX17S, R31E	

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