

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: Wyatt Draw 13 PA #1H		Prospect: Wyatt Draw 13	
Location: SL: 190' FNL & 970' FEL (24), BHL: 330' FNL & 970' FEL (13)		County: Eddy	ST: NM
Section: 24/13	Blk: 	Survey: 	TNP: 19S RNG: 25E Prop. Dpth: 7837'

INTANGIBLE COSTS 180			
	CODE	TCP	CC
Permits and Surveys	100	\$10,000	\$1,000
Location: Roads, Pits & Site Preparation	105	\$60,000	\$2,500
Location: Site Restoration, Excavation & Other	106	\$40,000	
Day Work, Footage, Turnkey Drilling 14 days drig/1.5 compl @ \$15,500/day + GRT	110	\$230,100	\$24,700
Fuel	114	\$37,500	
Mud	120	\$35,000	
Chemicals and Additives	121		
Cementing	125	\$35,000	
Logging, Wireline & Coring Services	130	\$20,000	
Casing, Tubing & Snubbing Services	134	\$15,000	\$10,000
Mud Logging	137	\$10,000	
Stimulation			241 \$450,000
Stimulation Rentals & Other			242 \$210,000
Water & Other	145	\$25,000	
Bits	148	\$20,000	
Inspection & Repair Services	150	\$15,000	
Misc. Air & Pumping Services	154		\$1,000
Testing	158	\$5,000	\$16,000
Completion / Workover Rig			260 \$30,000
Rig Mobilization	164	\$75,000	
Transportation	165	\$20,000	\$2,000
Welding and Construction	168	\$2,000	\$1,000
Engineering & Contract Supervision	170	\$20,000	
Directional Services	175	\$100,000	
Equipment Rental	180	\$70,000	\$5,000
Well / Lease Legal	184	\$2,500	
Well / Lease Insurance	185	\$1,200	
Intangible Supplies	188	\$5,000	\$1,000
Damages	190		\$10,000
Pipeline, Road, Electrical ROW & Easements	192		\$5,000
Pipeline Interconnect			293
Company Supervision	195	\$55,000	\$10,000
Overhead Fixed Rate	196	\$4,000	\$3,000
Well Abandonment	198		298
Contingencies 10% (TCP) 5% (CC)	199	\$91,200	\$39,100
TOTAL		\$1,003,500	\$821,300

TANGIBLE COSTS 181			
	CODE	TCP	CC
Casing (19.1" - 30")	793		
Casing (10.1" - 19.0")	794		
Casing (8.1" - 10.0") 700' 9 5/8" 36# K55 LTC @ \$29.50/ft	795	\$21,000	
Casing (6.1" - 8.0") 3000' 7" 26# LTC @ \$29.00/ft & 1000' 7" 26# BTC @ \$30.00	796	\$92,300	
Casing (4.1" - 6.0") 4750' 4 1/2" 11.6# J55 @ \$12.75/ft			797 \$60,600
Tubing (2" - 4") 2900' 2 7/8" 6.5# J55 EUE 8rd @ \$7.75/ft			798 \$22,500
Drilling Head	860	\$10,000	
Tubing Head & Upper Section			870 \$15,000
Sucker Rods			875 \$8,500
Packer Pump & Subsurface Equipment (20 Port System plus packer)			880 \$275,000
Artificial Lift Systems			884
Pumping Unit (includes set up)			885 \$40,000
Surface Pumps & Prime Movers			886
Tanks - Steel			890 \$45,000
Tanks - Others			891 \$13,000
Separation Equipment			895
Gas Treating Equipment			896
Heater Treaters, Line Heaters			897 \$15,000
Metering Equipment			898 \$16,000
Line Pipe - Gas Gathering and Transportation			900 \$3,000
Misc. Fittings, Valves, Line Pipe and Accessories			906 \$6,000
Cathodic Protection			908
Electrical Installations			909 \$20,000
Production Equipment Installation			910 \$11,000
Pipeline Construction			920 \$2,000
TOTAL		\$123,300	\$552,600
SUBTOTAL		\$1,126,800	\$1,373,900
TOTAL WELL COST		\$2,500,700	

Prepared by: S. Puryear Date: 1/3/2012

Co. Approval: M. Whitte Date: 1/4/2012

Joint Owner Interest: _____ Amount: _____

Joint Owner: _____ Joint Owner Approval: _____

Operator has secured Operator's Extra Expense Insurance covering costs of well control, clean up and redrilling elect NOT to be covered by this Operator's Extra Expense Insurance only by signing below. The undersigned Expense Insurance for their well.

By: _____ Name: _____

Oil Conservation Division
Case No. _____
Exhibit No. 4