

# RSC Resources, L.P.

AUTHORITY FOR EXPENDITURE  
ESTIMATED WORKOVER COSTS

OPERATOR <b>Guardian Operating Corp.</b>	AFE # <b>1</b>	DATE <b>9/10/2012</b>
WELL NAME AND NUMBER <b>Marra #1</b>	FIELD OR PROSPECT <b>Malaga</b>	
LOCATION <b>660' FN &amp; 1980' FW</b>	SECTION <b>14</b>	TWSHP <b>24S</b>
PROJECT DESCRIPTION AND LOCATION <b>Recomplete Marra 14 #1 to the Wolfcamp, fracture stimulate Replace surface facilities</b>	RANGE <b>28E</b>	COUNTY <b>Eddy</b>
	STATE <b>NM</b>	PROPOSED FORMATION <b>Wolfcamp</b>
		PROPOSED DEPTH (tvd/md) <b>11,400'MD PBT</b>

		TOTAL
<b>INTANGIBLES</b>		
Completion Rig 10 days	\$40,000	\$40,000
Location, Roads, Pits, Survey, Permits, Cleanup, Damages & Title Opinion	\$50,000	\$50,000
Transportation and Hauling	\$10,000	\$10,000
Fuel, Power, Water	\$30,000	\$30,000
CIBP, cmt	\$10,000	\$10,000
Cased Hole logging, Perforating	\$20,000	\$20,000
Rental Equipment - Surface	\$20,000	\$20,000
Rental Equipment - Downhole		
Other Well Services, NU/BOP, Casing Inspection	\$20,000	\$20,000
Overhead & Insurance	\$7,000	\$7,000
Supervision: Wellsite, Engineering, Geological, Consultants	\$10,000	\$10,000
Contract Services	\$10,000	\$10,000
Fluids Disposal	\$90,000	\$90,000
Environmental Charges	\$3,000	\$3,000
Stimulation Treatment	\$300,000	\$300,000
Frac Tank Rentals, trucking	\$25,000	\$25,000
Acquisition of Existing Marra wellbore	\$500,000	\$500,000
Miscellaneous Costs, Tax and Contingencies	\$100,000	\$100,000
<b>TOTAL INTANGIBLES</b>	<b>\$1,245,000</b>	<b>\$1,245,000</b>

TANGIBLES (155 Accounts)							COMPLETION	TOTAL
CASING	FOOTAGE	SIZE	WEIGHT	GRADE	COST/FT			
Conductor					\$ -			
Surface					\$ 35.00			
Surface					\$ -			
Intermediate					\$ 28.00			
Intermediate					\$ -			
Liner					\$ 28.00			
Production					\$ 16.00			
Production					\$ -			
Tubing	11,000	2 7/8"	6.5	N80	\$ 7.00	\$77,000	\$77,000	
Subsurface Well Equipment (Packers/Bottom Hole Pump)						\$8,000	\$8,000	
Wellhead Equipment (Casing Head/Christmas Tree)						\$20,000	\$20,000	
Gas Lift Equipment						\$40,000	\$40,000	
Flowlines						\$2,000	\$2,000	
Tanks						\$25,000	\$25,000	
Sales Line Equipment						\$5,000	\$5,000	
Separator-Prod. Equip.						\$30,000	\$30,000	
Valves, Fittings etc.						\$20,000	\$20,000	
Installation of Surface Lease Equipment						\$25,000	\$25,000	
Other Lease & Well Equip.						\$5,000	\$5,000	
<b>TOTAL TANGIBLES</b>						<b>\$257,000</b>	<b>\$257,000</b>	
<b>TOTAL WELL COSTS</b>						<b>\$1,502,000</b>	<b>\$1,502,000</b>	
<b>ESTIMATED PROJECT COST</b>						<b>\$1,502,000</b>	<b>\$1,502,000</b>	

Oil Conservation Division  
Case No. 14932  
Exhibit No. 4

RSC Resources, LP	RSC RESOURCES, LP- COMPLETED COST <b>\$1,502,000</b>
	BY: <b>Randall Cate</b>
<b>JOINT INTEREST SHARE</b>	
COMPANY NAME/OWNER	DATE
Signature	
BY:	