

Version 1.4										Date: 05/25/2013	
Field / Area										By: Kyle Johnson	
Well Name: Bell Lake 18-23-24 1H											
Cost Element	Description					VENDOR	Intangible	Tangible	DRILLING		
74400001	Rig - Daywork	days	30.68	rate	25000 \$/day		766,441		766,441		
74400002	Drilling Rig-Feetage/Turnkey	feet		rate	\$/day		0		0		
74400003	Rig Up/ Rig Down						0		0		
71050200	Fuel-Purchased Natural Gas & Propane						0		0		
71290100	Fuel - Diesel / Motor Fuels						141,803		141,803		
71290300	Utilities - Other (potable water)						0		0		
74500023	Mobilization / De-Mobilization	Rig Days	5	Rig/Trucking	100000		225,000		225,000		
	Rig Costs Total - Intangible						1,133,244	0	1,133,244		
66010100	Company Supervision	days	35.68	rate	4500 \$/day		160,459		160,459		
70000300	Contract Project Supervision	days	35.68	rate	900 \$/day		32,092		32,092		
	Supervision Total - Intangible						192,551	0	192,551		
68200100	Onshore Catering						0		0		
68250100	Offshore Catering						0		0		
68730100	Employee Personnel and Business Expense						0		0		
70000100	Contract Labor Surface						0		0		
70000200	Contract Labor Casual						0		0		
76150500	Communications - Radio						0		0		
76150800	Communications - Telephone -C/ITC						0		0		
76200100	Communications - Cellular						0		0		
76200300	Communications-Other						2,940		2,940		
	Other People Costs Total - Intangible						2,940	0	2,940		
74400004	Drilling Fluids						89,285		89,285		
71901900	Drill and Completion Fluids (not Service)								0		
71900500	Materials, Supply, Repair Parts						10,000		10,000		
	Mud, Materials Total - Intangible						99,285	0	99,285		
72300100	Surface Equipment Rentals						389,171		389,171		
72300200	Well Service Equipment Rentals						110,291		110,291		
72300300	Motor Vehicle Rentals								0		
73200200	Marine Transportation-Allocated								0		
73400300	Other Transportation Services						75,000		75,000		
73400400	Air Transportation allocated Adj								0		
73400700	Hauling Services (Not Freight)								0		
74400006	Directional Survey and Service Costs						264,574		264,574		
74400007	Drill String Rentals and Misc						14,256		14,256		
71901800	Drill Bits						73,000		73,000		
74400009	Coil Tubing								0		
74400010	Stimulation / Gravel Pack Materials & Service								0		
74400011	Pumping Services								0		
74400014	Perforating & Electric Line Services								0		
74400015	Slickline Services								0		
74500100	Contract Equipment & Services								0		
	Contract Rentals & Services Total - Intangible						926,292	0	926,292		
74500105	Services- Non Taxable Materials						0		0		
74500200	Technical Services						0		0		
75100500	HES Permit Costs & Fees						0		0		
75100501	Surface Regulatory & HES Inspection						0		0		
75590200	Other Professional Services & Fees						0		0		
75900800	Misc. Services and Fees						0		0		
	Other Services Total - Intangible						0	0	0		
74200300	Solid Waste Disposal						125,000		125,000		
74200600	Waste Water Disposal						10,000		10,000		
	Waste Disposal Total - Intangible						135,000	0	135,000		
74400017	Coring						0		0		
74400018	Testing						0		0		
74400019	Logging Wireline						0		0		
74400020	LWD (Logging While Drilling)						0		0		
74400021	Logging - Mud	23.58	days @	1250	\$ per day		29,476		29,476		
	Formation Evaluation Total - Intangible						29,476	0	29,476		
71900022	Well Pipe Casing	Size	Feet		\$/foot				928,803		
	Conductor								0		
	Surface	13-3/8"	1050		33.58			35,259			
	Intermediate 1	9-5/8"	5025		27			135,675			
	Intermediate 2							0			
	Drilling Liner							0			
	Production	5-1/2"	14818		16.93			250,889			
	Production Liner							0			
	Centralizers & Float Equipment										
	Conductor										
	Surface							3000			
	Intermediate 1							5000			
	Intermediate 2										
	Whipstock							104000			
	Production							45000			
	Packers/Sleeves							350000			
71900020	Well Pipe - Tubing Under 2" OD	Size	Feet		\$/foot				0		
								0			
								0			
71900021	Well Pipe - Tubing 2" OD and over	Size	Feet		\$/foot				0		
								0			
								0			
71900100	Well Equipment / Materials							0	0		
71900110	Wellhead / Xmas Tree	Size		Cost					110,000		
	"A"			110000				110,000			
	"B"							0			
	"C"							0			
	Tubing Head							0			
	Xmas Tree							0			
71900120	Submersible Pumps & Equipment							0	0		
71500100	Surface Lifting Equipment / Materials								0		
	Rod String	Size	Feet		\$/foot						
								0			
								0			
	Production Pkr.										
	Well Pump										
	Other										
	Equipment Total - Tangible						0	1,038,803	1,038,803		
74400024	Cement & Cementing	Size	Sacks	Cost					208,000		
	Conductor					0					
	Surface	Size: 13-3/8"	Sacks:	Cost: 18000			18000				
	Intermediate 1	Size: 9-5/8"	Sacks:	Cost: 45000			45000				
	Intermediate 2	Size:	Sacks:	Cost:			0				
	Pilot Plug Back	Size: 2-7/8"	Sacks:	Cost: 50000			50000				
	Production	Size: 5-1/2"	Sacks:	Cost: 95000			95000				
	Production Liner	Size:	Sacks:	Cost:			0				
	Squeeze Jobs	Size:	Sacks:	Cost:			0				
	Squeeze Jobs	Size:	Sacks:	Cost:			0				
	Squeeze Jobs	Size:	Sacks:	Cost:			0				
	Cement Total - Intangible						208,000	0	208,000		
74400013	Equipment Lost in Hole					0			0		
74400025	Fishing Costs					0			0		
74500021	Site Work / Roads / Locations					30,000			30,000		
	Unanticipated & Location Total - Intangible						30,000	0	30,000		
	Sub Total Cost Estimate						2,756,748	1,038,803	3,795,551		
94100700	Contingency	0.0%				0		0	0		
	Sub Total Cost Estimate w/ G&A						2,756,748	1,038,803	3,795,551		
94100700	Capitalized G&A	0.0%				0		0	0		
	TOTAL COST ESTIMATE w/ Contingencies						2,756,748	1,038,803	3,795,551		

Delaware Basin - Lea County
Phase 3A - Facilities Cost Estimate

Facilities

	Bell Lake	
	Quant	Cost
GRAND TOTAL (for all items)	---	\$ 2,183,787.44
SUB-TOTAL (for all items)	---	\$ 2,017,355.60
Contingency	0%	\$ -
Tax	8.25%	\$ 166,431.84
G&A	0.0%	\$ -
Battery	1	\$ 1,696,500.00
- Civil	---	\$ 80,000.00
- Goldilocks Battery (Equip.)	---	\$ 1,000,000.00
- Goldilocks Battery (Install.)	---	\$ 600,000.00
- Electrical (EDS)	---	\$ 16,500.00
-Flare	---	\$ -
- Commingle Mods	---	\$ -
Dirt Work	1	\$ 60,160.00
- Supervision	---	\$ 13,760.00
- Land Damages	---	\$ 20,000.00
- Roads	---	\$ 26,400.00
- Frac Pond	---	-
Compressor Station	---	
CAD drawings	---	
Vessels	---	
Dehy	---	
Fab/Construction	---	
I&E	---	
Well Sites	1	\$ 183,695.60
- Supervision	---	\$ 10,000.00
- Civil (includes catiche)	---	\$ 116,495.60
- Mechanical	---	\$ 20,000.00
- Flowline	---	\$ 25,200.00
- POC/Well Kill	---	\$ 12,000.00
-Gas Tie-in Connections	---	\$ -
Electrical Distribution	---	\$ 77,000.00
- Feed to Sections	1	\$ 77,000.00
- Capital Contribution	1	\$ -
- Generator Contingency	1	\$ -