

Directional Drilling – State #9-1

Economic Impact

- Straight Hole
 - D&C = \$695,000
 - ROR = 26.7%
 - Inc/Inv = 0.30
 - F&D = \$33.0 / BOE
- Directional Well
 - 2000' kick
 - D&C = \$850,000
 - ROR = 17.8%
 - Inc/Inv = 0.60
 - F&D = \$40.0 / BOE

> A deviated wellbore increases the mechanical risk of both drilling and producing operations