

## Waterflood Development Cost

### Proposed Eastland Queen Unit

Turkey Track Queen Field

Eddy County, New Mexico

Beach Exploration, Inc.

6/20/2007

	<u>ITEM</u>	<u>Cost</u> <u>(M\$)</u>
I.	Re-enter P&A Well to Convert to Injection	150
II.	Convert 13 Wells to Injection	500
		trbl 300
III.	Recondition 17 Producing Wells	225
IV.	Install Water Supply Line	15
V.	Install Water Injection Plant and Facilities	160
VI.	Install Water Injection Lines	400
VII.	Production Facility Consolidation	325
VIII.	Re-Plug 4 Abandoned Wells in Proposed Unit Area	<u>400</u>
	<b>Subtotal</b>	2,475
	Pre Unitization Expense	<u>25</u>
	<b>Total</b>	2,500

Oil Conservation Division

Case No. 23

Exhibit No. 23