

2007-2008 Ernst & Young Overhead Rates

New Mexico

Monthly Drilling Well Fixed Overhead Rates

Monthly Producing Well Fixed Overhead Rates

Depth	Minimum	Average	Median	Maximum	Minimum	Average	Median	Maximum
0 - 5,000	\$525	\$2,163	\$2,279	\$3,570	\$325	\$463	\$427	\$620
5,001 - 10,000	\$2,000	\$4,497	\$4,786	\$7,615	\$200	\$548	\$575	\$823
10,001 - 15,000	\$6,000	\$6,848	\$6,848	\$7,696	\$600	\$815	\$835	\$997
15,001 - 20,000								
Over 20,000								
No Depth Limit	\$4,790	\$7,618	\$8,576	\$10,928	\$479	\$791	\$902	\$1,149

Merrion Proposed OH Rates = \$5000/mo for Drilling and \$500/mo for Producing

These are slightly higher than the average for a shallow well because of the significant additional manpower and effort required to drill and operate in town.