

GAS \_\_\_\_\_  
OIL \_\_\_\_\_



20 N. BROADWAY, SUITE 1500, OKLAHOMA CITY, OK 73102

**AUTHORITY FOR EXPENDITURE**  
**DRILLING/COMPLETION COST ESTIMATE**

DRILLING \_\_\_\_\_  
COMPLETION \_\_\_\_\_

AFE NO.: 145357  
Lease Name - Well #: Acme 15 Fed Com 1  
Legal Description: 1650' FSL & 1650' FEL Section 15-19S-31E

County/Parish: Eddy  
State: New Mexico  
Prepared By: Ortiz, Marcos

Oil Conservation Division  
Case No. 4  
Exhibit No. \_\_\_\_\_

**AUTHORITY REQUESTED TO:**

AFE to cover costs to drill and complete the Acme 15 Fed Com #1 to the Lower Morrow with a TD of 12,725'.

Code	Intangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
011	DRILL-LAND, LEGAL	15,000	0	0	15,000
011	LAND, LEGAL	0	500	0	500
012	COMPL-SURF DAMAGES/RIGHTOFWAY	0	6,000	0	6,000
012	DRILL-SURF DMGS/RIGHT OF WAY	1,500	0	0	1,500
013	COMP-LOCATION, ROADS, PITS, FNS	0	6,300	0	6,300
013	DRILL-LOCATION,ROADS, PITS, FNCS	55,000	0	0	55,000
014	ARCHEOLOGICAL TESTING	2,000	0	0	2,000
019	DRILL-OTHER SITE PREPARATION	10,000	0	0	10,000
019	OTHER SITE PREPARATION	0	8,000	0	8,000
043	DAYWORK	800,000	80,000	0	880,000
044	DRILL-MOB/DEMOBILIZATION	150,000	0	0	150,000
049	OTHER CONTRACTOR SERVICES	0	50,000	0	50,000
101	DRILL BITS	80,000	0	0	80,000
102	COMPLETION FLUIDS	0	24,000	0	24,000
102	DRILL-DRILLING FLUIDS	85,000	0	0	85,000
103	DRILL-SURFACE RENTAL TOOLS & EQUIP	75,000	0	0	75,000
103	SURFACE RENTAL TOOLS & EQUIP (incl. foam/air u.	0	45,000	0	45,000
104	COMPL-DOWNHOLE RNTL TOOLS & EQ	0	5,000	0	5,000
104	DOWNHOLE RENTAL TOOLS & EQUIPMENT	25,000	0	0	25,000
105	CLOSED LOOP SYSTEM COSTS	250,000	0	0	250,000
109	DRILL-OTHER MATRLS & SUPPLIES	2,000	0	0	2,000
109	OTHER MATERIALS & SUPPLIES	0	2,500	0	2,500
201	DRILL-WELD, ROUTABOUT & OTHER	10,000	0	0	10,000
201	WELDING, ROUSTABOUTS & OTHER SERV	0	70,000	0	70,000
202	COMPL-DIRT WORK & HEAVY EQUIPN	0	8,000	0	8,000
202	DIRT WORK & HEAVY EQUIPMENT	5,000	0	0	5,000
203	DRILL-TRUCKING & HOTSHOT	30,000	0	0	30,000
203	TRUCKING & HOTSHOT	0	7,000	0	7,000
204	PIPELINE INSTALLATION	0	20,000	0	20,000
251	CEMENT & CEMENTING SERVICES	55,000	65,000	0	120,000
254	FLOWBACK EQUIP-TESTING SERVICES	0	11,000	0	11,000
255	DRILL-LOGGING	85,000	0	0	85,000
255	LOGGING	0	50,000	0	50,000
257	DRILL-OPEN HOLE EVALUATION	35,000	0	0	35,000
259	CASING & TUBULAR SERVICES	20,000	20,000	0	40,000
263	DRILL-FLUID DISPOSAL	15,000	0	0	15,000
263	FLUID DISPOSAL	0	7,000	0	7,000
265	STIMULATION & GRAVEL PACK	0	250,000	0	250,000
269	COMPL - CONSULTANTS	0	20,000	0	20,000
269	CONSULTANTS	85,000	0	0	85,000

Please include/attach well requirement data with ballot.

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281	COMMUNICATION SERVICES	3,800	0	0	3,800
302	DRILL-WATER	50,000	0	0	50,000
306	DRILL-POWER & FUEL	100,000	0	0	100,000
307	DRILL - DYED DIESEL	25,000	0	0	25,000
501	PULLING & SWABBING UNITS	0	85,000	0	85,000
503	BACKFILL PITS/RESTORE LOCATION	50,000	15,000	0	65,000
552	DRILL-SAFETY EQUIP & TRAINING	5,400	0	0	5,400
552	SAFETY EQUIPMENT & TRAINING	0	500	0	500
559	COMPL-ENVMNT & SAFETY MISC	0	1,700	0	1,700
711	COMPANY SUPERVISION	0	3,000	0	3,000
721	COMPL- COMPLETION OVERHEAD	0	6,000	0	6,000
731	CONSTRUCTION OVERHEAD	0	1,500	0	1,500
831	VEHICLE EXPENSE	0	500	0	500
865	COMPANY BENEFITS	0	1,000	0	1,000
895	DRILL-TAXES -OTHER IDC	140,000	0	0	140,000
<b>Total Intangibles</b>		<b>2,264,700</b>	<b>869,500</b>	<b>0</b>	<b>3,134,200</b>

Code	Tangible Description	Drilling Costs	Completion Costs	Dry Hole Costs	Total Costs
284	COMPL-SCADA-PROGRAMMING	0	10,000	0	10,000
285	COMPL-SCADA-LABOR	0	5,000	0	5,000
286	COMPL-SCADA-EQUIPMENT	0	5,000	0	5,000
901	SURFACE CASING	44,000	0	0	44,000
902	INTERMEDIATE CASING	250,000	0	0	250,000
903	PRODUCTION CASING	0	325,000	0	325,000
915	TUBING	0	100,000	0	100,000
925	SUBSURFACE EQUIP	0	36,000	0	36,000
931	WELLHEAD VALVES & EQUIPMENT	9,500	7,000	0	16,500
941	TANKS	0	35,000	0	35,000
945	TREATING EQUIPMENT	0	25,000	0	25,000
962	COMPL-STEEL & LINE PIPE	0	30,000	0	30,000
964	COMPL-METERS AND FITTINGS	0	35,000	0	35,000
986	COMPL-SURFACE-OTH TANG EQUIPMENT	0	5,000	0	5,000
<b>Total Tangibles</b>		<b>303,500</b>	<b>618,000</b>	<b>0</b>	<b>921,500</b>

<b>TOTAL ESTIMATED COSTS</b>	<b>2,568,200</b>	<b>1,487,500</b>	<b>0</b>	<b>4,055,700</b>
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Note: Costs and participations are generally estimates. Billings will be based on actual expenditures

**WORKING INTEREST OWNER APPROVAL**

Company name:

Signature:

Print Name:

Title:

Date:

Email: