

**OIL  
CONSERVATION  
DIVISION**

**CASE NO.**  
*14298*

**EXHIBIT**  
**4**

**MEWBOURNE OIL COMPANY  
AUTHORIZATION FOR EXPENDITURE**

Prospect: Huckleberry 29 Well Name & No: Huckleberry 29 State Com #1  
 Field: \_\_\_\_\_ Location: 990' FNL & 770' FEL  
 Section: 29 Block: \_\_\_\_\_ Survey: \_\_\_\_\_ Township 22S Range: 26E  
 County: Eddy ST: NM Proposed Depth: 11,800'

DESCRIPTION		Cost To Casing Point AFE NO.	Completion Cost AFE NO.			
<b>INTANGIBLE COST 180</b>						
300	Permits and Surveys	\$1,500	\$1,500			
301	Location, Roads and Site Preparation	\$150,000	\$2,000			
302	Footage or Turnkey Drilling					
303	Day Work 38 days @ \$17,500/day + 3 days completion + GRT	\$704,900	\$55,700			
304	Fuel	\$98,400	\$1,000			
305	Completion / Workover Rig		\$20,000			
306	Mud and Chemicals	\$85,000	\$2,000			
307	Cementing	\$50,000	\$70,000			
308	Logging, Wireline and Coring Services	\$50,000	\$15,000			
309	Casing, Tubing & Snubbing Services	\$10,000	\$12,000			
310	Mud Logging 30 days @ \$1000/day + setup	\$30,000				
311	Testing	\$2,500	\$5,000			
312	Treating 70Q Binary + 70K IP		\$175,000			
313	Water & Other	\$40,000	\$1,000			
314	Bits 1-17 1/2", 1-12 1/4", 5- 8 3/4"	\$70,000				
315	Inspection & Repair Services	\$6,000	\$1,000			
316	Misc. Air and Pumping Services		\$1,500			
320	Rig Mobilization & Transportation	\$90,000	\$2,500			
321	Welding and Construction	\$4,000	\$5,500			
322	Engineering & Contract Supervision	\$30,000				
330	Equipment Rental	\$40,000	\$10,000			
334	Well / Lease Legal	\$10,000	\$2,500			
335	Well / Lease Insurance	\$7,700				
350	Intangible Supplies	\$500	\$500			
355	Damages	\$5,000				
360	Pipeline and Electrical ROW and Easements		\$6,000			
367	Pipeline Interconnect					
375	Company Supervision	\$25,000	\$10,000			
380	Overhead Fixed Rate	\$9,000	\$6,000			
398	Well Abandonment	\$15,000	(\$15,000)			
399	Contingencies 10% / 5%	\$153,500	\$19,500			
<b>Total Intangibles</b>		<b>\$1,688,000</b>	<b>\$410,200</b>			
<b>TANGIBLE COST 181</b>						
797	Conductor Casing 40' of 20" (included in location cost)					
797	Surface Casing 650' 13-3/8" 48# H40 ST&C @ \$69.97/ft	\$45,500				
797	Intermediate Casing 2500' 9-5/8" 40# HCK55/K55/N80 LT&C @ \$52.02/ft	\$130,100				
797	Intermediate Casing					
797	Production Casing 11,800' 5-1/2" 17# HCP110/N80 LT&C @ \$27.50/ft		\$324,500			
798	Tubing 11,400' 2-7/8" 6.5# P110 EUE 8rd @ 10.96/ft		\$124,900			
860	Drilling Head	\$10,000				
870	Tubing Head & Upper Section		\$13,000			
875	Sucker Rods					
880	Packer Pump & Subsurface Equipment		\$12,000			
884	Artificial Lift Systems					
885	Pumping Unit					
886	Surface Pumps & Prime Movers					
890	Tanks - Steel		\$14,000			
891	Tanks - Other		\$6,000			
895	Separation Equipment		\$23,000			
896	Gas Treating Equipment					
898	Metering Equipment		\$6,000			
900	Line Pipe - Gas Gathering and Transportation		\$15,000			
901	Line Pipe - Production		\$1,500			
906	Miscellaneous Fittings, Valves & Accessories		\$10,000			
909	Electrical Installations					
910	Production Equipment Installation		\$18,000			
920	Pipeline Construction		\$20,000			
Prepared by:	F. Lathan	Date Prepared:	11/1/2008	Total Tangibles	<b>\$185,600</b>	<b>\$587,900</b>
Company Approval:	<i>m. whitte</i>	Date Approved:	11/1/2008	SUBTOTAL	<b>\$1,873,600</b>	<b>\$998,100</b>
Joint Owner Interest:		Joint Owner Amount:		<b>TOTAL WELL COST</b>	<b>\$2,871,700</b>	

Oil Conservation Division  
Case No. 4  
Exhibit No. 4

Joint Owner: \_\_\_\_\_ Joint Owner Approval: \_\_\_\_\_

Operator has secured Operator's Extra Expense Insurance covering costs of well control, clean up, and redrilling, as estimated in Line Item 335. Non-operator may elect not to be covered by this Operator's Extra Expense Insurance only by signing below. The undersigned elects not to be covered by Operator's Extra Expense Insurance for their well.

By: \_\_\_\_\_ Name: \_\_\_\_\_