CLEMENTS ENERGY, INC.

AUTHORITY FOR EXPENDITURE

AFE NUMBER: 82-61

PROPERTY NUMBER:

PROSPECT OR FIELD	OPERATOR	LEASE NAME OR NUMBER	WELL NUMBER
HIGH PLAINS PROSPECT	CLEMENTS ENERGY, INC.	MGF NM 14 State	1

STATE	COUNTY	LOCATION	PROPOSED T.D.	FORMATION
W MEXICO	LEA	660' FNL & 660' FEL SEC. 14-14S-34E	11,000'	PERMO PENN

PURPOSE OF EXPENDITURE	CONTRACTOR	RIG TYPE
ILL WELL & TEST PERMO PENN		ROTARY

ILL/COMPL	X	LAND	X	SINGLE	X	EXPLORATORY		OIL	X	WATER DISP/INJ.	
RKOVER		OFFSHORE		DUAL		DEVELOPMENT	X	GAS		WATER SUPPLY	
COMPLETE		INLAND WATER		OTHER				SEC. REC.		OTHER	

NE	INTANGIBLE EXPENSE	CASING POINT COST	COMPLETION COST	COMPLETED WELL COST
1	RIG MOVE IN AND OUT	--	--	--
2	FOOTAGE OR TURNKEY 19.50 x 11,000	214,500.	--	214,500.
3	DAYWORK	5,500.	5,500.	11,000.
4	COMPLETION, W.O., SWAB UNIT	--	18,000.	18,000.
5	LOCATION, ROADS, SURVEY, DAMAGES, RESTORE	25,000.	--	25,000.
6	MUD, ADDITIVES, DIESEL, PKR FLUID	25,000.	--	25,000.
7	CEMENT AND SERVICES	15,000.	5,000.	20,000.
8	FLOAT EQUIP, CENTRALIZER, SCRATCHER	2,500.	1,000.	3,500.
9	OPENHOLE LOGS, F.T.	35,000.	--	35,000.
0	CASEDHOLE LOGS, PERF	--	8,000.	8,000.
1	DST, CORING, SWC, ANALYSIS	10,000.	--	10,000.
2	EQUIPMENT RENTAL	3,000.	2,000.	5,000.
3	CASING CREW, TONGS, TOOLS	4,500.	4,000.	8,500.
4	MUD LOGGING: CREW AND EQUIPMENT	15,000.	--	15,000.
5	TRANSPORTATION: LAND AND MARINE	3,000.	3,000.	6,000.
6	FUEL, POWER, WATER	37,000.	--	37,000.
7	BITS: DRILLING AND COMPLETION	--	--	--
8	SUPERVISION	4,000.	4,000.	8,000.
9	OVERHEAD	4,750.	2,000.	6,750.
0	STIMULATION SERVICES	--	15,000.	15,000.
1	EQUIPMENT INSPECTION AND TESTING	--	--	--
2	WELL TESTING, PROD TEST, BHP TEST	--	2,000.	2,000.
3	DIRECTIONAL DRILLING: SERVICE AND EQUIP	--	--	--
4	FISHING TOOLS AND SERVICES	--	--	--
5	MISC AND CONTINGENCY 10%	40,375.	6,950.	47,325.
6	OTHER Well Control Insurance	18,645.	--	18,645.
7	TOTAL INTANGIBLE EXPENSE	462,770.	76,450.	539,220.

TANGIBLE EXPENSE

0	DRIVE CASING		FT.		O.D. AT		S/FT.	--	--	--
1	COND CASING	50	FT.	20"	O.D. AT		S/FT.	8,000.	--	8,000.
2	SURF CASING	450	FT.	13-3/8"	O.D. AT	21.50	S/FT.	9,675.	--	9,675.
3	INTER CASING	4500	FT.	8-5/8"	O.D. AT	12.00	S/FT.	54,000.	--	54,000.
4	PROD CASING	11000	FT.	5-1/2"	O.D. AT	12.00	S/FT.	--	132,000.	132,000.
5	LINER CASING		FT.		O.D. AT		S/FT.	--	--	--
6	TUBING	11000	FT.	2-3/8"	O.D. AT	3.50	S/FT.	--	38,500.	38,500.
7	WELLHEAD EQUIPMENT							1,700.	8,000.	9,700.
8	DOWNHOLE EQUIPMENT							--	3,200.	3,200.
9	SURF PROD EQUIPMENT							--	25,000.	25,000.
0	ARTIFICIAL LIFT EQUIPMENT							--	--	--
1	MISC AND CONTINGENCY 10%							7,338.	20,670.	28,008.
2	OTHER							--	--	--
3	TOTAL TANGIBLE EXPENSE							80,713.	227,370.	308,083.
	TOTAL WELL COST							543,483.	303,820.	847,303.

WORKING INTEREST OWNER	PER CENT W.I.	CASING POINT COST	COMPLETED WELL COST

BEFORE THE
CONSERVATION COMMISSION
Case No. 7a
Submitted by
Hearing Date

OPERATOR APPROVAL	
PREPARED W.E. Gillen	DATE 11-04-82
APPROVED	DATE
APPROVED	DATE

JOINT INTEREST APPROVAL	
COMPANY	DATE
APPROVED BY	