

CLEMENTS ENERGY, INC.
AUTHORITY FOR EXPENDITURE

AFE NUMBER
82-61A
PROPERTY NUMBER

PROSPECT OR FIELD HIGH PLAINS		OPERATOR CLEMENTS ENERGY, INC.		LEASE NAME OR NUMBER MGF NM 14 STATE COM		WELL NUMBER 1					
STATE NEW MEXICO	COUNTY LEA	LOCATION 810' FNL & 660' FEL Sec. 14-14S-34E			PROPOSED T.D. 11,000'	FORMATION PERMO PENN					
PURPOSE OF EXPENDITURE DRILL WELL AND TEST PERMO PENN				CONTRACTOR #	RIG TYPE ROTARY						
DRILL/COMPL.	<input checked="" type="checkbox"/>	LAND	<input checked="" type="checkbox"/>	SINGLE	<input checked="" type="checkbox"/>	EXPLORATORY	<input type="checkbox"/>	OIL	<input checked="" type="checkbox"/>	WATER DISP/INJ.	<input type="checkbox"/>
WORKOVER	<input type="checkbox"/>	OFFSHORE	<input type="checkbox"/>	DUAL	<input type="checkbox"/>	DEVELOPMENT	<input checked="" type="checkbox"/>	GAS	<input type="checkbox"/>	WATER SUPPLY	<input type="checkbox"/>
RE-COMPLETE	<input type="checkbox"/>	INLAND WATER	<input type="checkbox"/>	OTHER	<input type="checkbox"/>		<input type="checkbox"/>	SEC. REC.	<input type="checkbox"/>	OTHER	<input type="checkbox"/>

LINE	INTANGIBLE EXPENSE	CASING POINT COST	COMPLETION COST	COMPLETED WELL COST
01	RIG MOVE IN AND OUT	\$ --	\$ --	\$ --
02	FOOTAGE OR TURNKEY	297,045.	--	297,045.
03	DAYWORK	--	5,000.	5,000.
04	COMPLETION, W.O., SWAB UNIT	--	18,000.	18,000.
05	LOCATION, ROADS, SURVEY, DAMAGES, RESTORE	20,000.	--	20,000.
06	MUD, ADDITIVES, DIESEL, PKR FLUID \$18,000. in turnkey	15,000.	--	15,000.
07	CEMENT AND SERVICES	--	5,000.	5,000.
08	FLOAT EQUIP, CENTRALIZER, SCRATCHER	--	1,000.	1,000.
09	OPENHOLE LOGS, F.T. \$24,305. in turnkey	2,000.	--	2,000.
10	CASEDHOLE LOGS, PERF	--	8,000.	8,000.
11	DST, CORING, SWC, ANALYSIS Turnkey	--	--	--
12	EQUIPMENT RENTAL	1,000.	1,000.	2,000.
13	CASING CREW, TONGS, TOOLS	--	4,000.	4,000.
14	MUD LOGGING: CREW AND EQUIPMENT \$6800. in turnkey	1,000.	--	1,000.
15	TRANSPORTATION: LAND AND MARINE	1,000.	2,000.	3,000.
16	FUEL, POWER, WATER	--	--	--
17	BITS, DRILLING AND COMPLETION	--	--	--
18	SUPERVISION	4,000.	4,000.	8,000.
19	OVERHEAD	4,750.	--	4,750.
20	STIMULATION SERVICES	--	15,000.	15,000.
21	EQUIPMENT INSPECTION AND TESTING	--	--	--
22	WELL TESTING, PROD TEST, BHP TEST	--	2,000.	2,000.
23	DIRECTIONAL DRILLING: SERVICE AND EQUIP	--	--	--
24	FISHING TOOLS AND SERVICES	--	--	--
25	MISC AND CONTINGENCY 5%	17,300.	3,250.	20,550.
26	OTHER Well Control Insurance	12,350.	--	12,350.
27	TOTAL INTANGIBLE EXPENSE	\$ 375,445.	\$ 68,250.	\$ 443,695.

TANGIBLE EXPENSE

50	DRIVE CASING	FT.	O.D. AT	S/FT.	--	--	--
51	COND CASING	FT.	O.D. AT	S/FT.	--	--	--
52	SURF CASING 450	FT. 13-3/8"	O.D. AT 21.00	S/FT.	9,450.	--	9,450.
53	INTER CASING 4500	FT. 8-5/8"	O.D. AT 10.00	S/FT.	45,000.	--	45,000.
54	PROD CASING 11,000	FT. 5-1/2"	O.D. AT 10.00	S/FT.	--	110,000.	110,000.
55	LINER CASING	FT.	O.D. AT	S/FT.	--	--	--
56	TUBING 11,000	FT. 2-3/8"	O.D. AT 3.50	S/FT.	--	38,500.	38,500.
57	WELLHEAD EQUIPMENT				1,700.	10,000.	11,700.
58	DOWNHOLE EQUIPMENT				--	3,200.	3,200.
59	SURF PROD EQUIPMENT				--	25,000.	25,000.
60	ARTIFICIAL LIFT EQUIPMENT				--	--	--
61	MISC AND CONTINGENCY 10%				5,600.	18,700.	24,300.
62	OTHER				--	--	--
63	TOTAL TANGIBLE EXPENSE				61,750.	205,400.	267,150.
TOTAL WELL COST					\$ 437,195.	\$ 273,650.	\$ 710,845.

WORKING INTEREST OWNER	PER CENT W.I.	CASING POINT COST	COMPLETED WELL COST
<div>FILE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico Case No. _____ Submitted by _____ Hearing Date _____ EXHIBIT No. 8</div>			

OPERATOR APPROVAL	
PREPARED W.E. Gillen	DATE 1/21/83
APPROVED	DATE
APPROVED	DATE

JOINT INTEREST APPROVAL	
COMPANY	DATE
APPROVED BY	