

**Meridian Oil Inc.
Completion Estimate**

Well Name: Arco Hill #1
 Location: Sec. 22G, T25N, R03W
 AFE Type: Capital Workover 14
 Formation: Blanco Mesaverde

Prepared By: CA Newstrom
 Date: 2/17/95
 Approved By: _____
 Date: _____

Intangible Costs

Account Number	Estimated Days: 9			Total Estimated Cost
		Cost	Cost	
249				
02	Location, Roads or Canals	1,250		1,250
04	Surface Restoration	1,250		1,250
05	Move-in, Move-out	7,500		7,500
07	Fees of Contractor - Daywork	37,350		37,350
10	Gas and Air Drilling	10,000		10,000
12	Specialty Fluids and Chemicals	800		800
16	Fresh Water	2,500		2,500
17	Bits			0
19	Remedial Cementing	5,000		5,000
23	Fuel/Electricity	1,000		1,000
24	BOP & Wellhead Rentals(Surface)			0
25	Drill Work String Rentals (Surface)			0
27	Tank Rentals	750		750
28	Other Rental			0
29	Transportation	1,000		1,000
30	Offsite Disposal Service	5,000		5,000
33	Tubular Inspection			0
34	Cased Hole Services	10,500		10,500
36	Production Testing	0		0
37	Swabbing & Coiled Tubing			0
38	Stimulation (3 acid breakdowns)	8,000		8,000
39	Fracturing (3 stage slickwater frac)	100,000		100,000
43	Consultants	4,000		4,000
45	Roustabout Labor	800		800
46	Miscellaneous			0
49	Packer Rental	6,500		6,500
72	Overhead (Contingency @ 5%)	10,160		10,160
	Total Intangibles	213,360	0	213,360

Tangible Costs

81	Tubing and Tiebacks (misc. replacements)	2,000		2,000
82	Packers and Bridge Plugs			0
85	Tubing Equipment	250		250
86	Wellhead Equipment & Tree	1,000		1,000
	Total Tangibles	3,250	0	3,250

Total Completion Cost	216,610	0	216,610
------------------------------	----------------	----------	----------------

**Meridian Oil Inc.
Facilities Estimate**

Well Name: Arco Hill #1
 Location: Sec. 22G, T25N, R03W
 AFE Type: Capital Workover 14
 Formation: Blanco Mesaverde

Prepared By: CA Newstrom
 Date: 2/17/95
 Approved By: DR. Van Th
 Date: 2-21-95

Tangible Costs

Account Number	Estimated Days:			Total Estimated Cost
		Cost	Cost	
247				
02	Labor-Contract, Roustabout, Consultants	2,000		2,000
03	Company Vehicles			0
08	Location, Roads & Canals			0
12	Overhead			0
17	Damages, Property Losses			0
20	Equip. Coating and Insulation			0
26	SWD Filtering			0
27	Separators			0
28	Gas Sweetening			0
29	Pumping Units			0
31	Prime Mover			0
32	Tanks			0
33	Metering Equipment			0
34	Flow Line			0
35	Compressors			0
36	Building			0
39	Flowlines, Piping, Valves & Fittings	8,000		8,000
43	Safety			0
44	Technical Contract Svc.			0
47	Rental Compressors & Maintenance			0
48	Rental Equipment			0
49	Cathodic Protection			0
50	Right Of Way			0
51	Minor Pipelines			0
53	Surface Pumps			0
54	Electrical Accessories			0
55	Miscellaneous-Facility Expense			0
57	Pulling Unit Costs			0
60	Oper. Owned Equip/Facilities			0
62	Env. Compliance-Assessment			0
63	Env. Compliance (Remediation)			0
68	Direct Labor			0
69	Benefits			0
70	Payroll Taxes and Insurance			0
72	Overhead (Contingency 5%)			0
73	Freight/Transportation			0
81	Tubing			0
82	Rods			0
83	Downhole Pumps			0
84	Alternative Artificial Lift Equip.			0
86	Convert Artificial Lift Wellhead Equip.			0
88	Communication Systems			0
95	Employee Meals			0
96	Gas Dehydrator			0
Total Facility Cost		10,000	0	10,000