

SHACKELFORD OIL CO.

AUTHORITY FOR EXPENDITURE

LEASE & WELL NO.	TONTO FED #3	AFE NO.	DATE
LOCATION SEC 3 T20S R33E	COUNTY	LEA	STATE NM
FIELD TEAS	ESTIMATED DEPTH	8200	FORMATION DELAWARE
COMPLETED WELL COSTS	DAYWORK RATE	5400	
EXPLANATION		DRY HOLE PRODUCER	TOTAL
SURVEYING & PERMITTING LOCATION		1200	1200
ROAD, LOCATION & RESERVE PITS		17000	0 17000
DRILLING - DAYWORK	3	6 16200	32400 48600
DRILLING - FOOTAGE	17.5	143500	143500
DRILLING TURNKEY	0	0	0
WELDING		500	0 500
DRILLING MUD AND CHEMICALS		7000	7000
WATER		8500	1000 9500
LOGGING - INTERMEDIATE		5056	5056
LOGGING - PRODUCTION		16432	16432
LOGGING - MUD LOGGING		2400	2400
LOGGING - CBL AND CIBP			2500 2500
BITS		0	0 0
TESTING		0	0
EQUIPMENT RENTAL		0	0 0
LABOR - ROUSTABOUT			7500 7500
CEMENTING - SURFACE		7000	0 7000
CEMENTING - PRODUCTION		0	8000 8000
CEMENTING - INTERMEDIATE		18500	18500
FLOATING EQUIPMENT		0	0
HAULING		0	0 0
PERFORATING			2500 2500
ACIDIZING			2500 2500
PUMP TRUCK			0 0
COMPLETION UNIT			0 0
SWABBING			0 0
FRAC			30000 30000
DRILLING OVERHEAD		3000	1500 4500
ENGINEERING EXPENSE		0	0 0
GEOLOGICAL		2500	0 2500
LOCATION CLEAN UP			2500 2500
CONTINGENCIES		0	0 0
TOTAL INTANGIBLE COSTS		248788	90400 339188

TANGIBLE COSTS		DRY HOLE PRODUCER		TOTAL	
SURFACE CASING	550	16.5	9075	0	9075
PRODUCTION CASING	8200	4.75	0	38950	38950
INTERMEDIATE CASING	4300	10.75	46225	0	46225
INTERMEDIATE CASING	700	13.8	9660		
TUBING	8000	2.5	0	20000	20000
PACKERS AND SUBSURFACE EQUIPMENT				2500	2500
RODS	8000	1.5		12000	12000
PUMPING UNIT AND ENGINE/MOTOR				25000	25000
WELL HEAD EQUIPMENT			4000	1500	5500
TANKS				15000	15000
MISCELLANEOUS				10000	10000
HEATER TREATER				4500	4500
FLOW LINES				5000	5000
DOWNHOLE PUMP				1500	1500
ELECTRICAL				12000	12000
TOTAL TANGIBLE COSTS			68960	147950	207250
TOTAL COSTS			317748	238350	546438

PREPARED BY:
DATE:
APPROVED BY:
COMPANY NAME:

BY:
TITLE:
DATE:

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 12103 Exhibit No. 3

Submitted by: Shackelford Oil Company

Hearing Date: January 7, 1999