

DATE December 28, 1999

AFE No. 99-074 LEASE NAME Steggins Draw State C Com WELL NO. 2
 DESCRIPTION 1950' FEL & 1020' FNL Section 16-18S-27E COUNTY Eddy
 STATE New Mexico AREA Chalk Bluff OPERATOR Marbob Energy Corporation
 PROJECT _____ PREPARED BY Raye Miller
 EXPLORATION ☐ DEVELOPMENT ☐ RESULTS: OIL ☐ GAS ☐ DRY ☐ T.D. _____ DATE _____

DRILLING INTANGIBLES:	DRY HOLE WITHOUT PIPE	COMPLETED WELL	ACTUAL COST	OVER (UNDER)
LOCATION, ROADS, PITS, DAMAGES	\$ 22,000	\$		
FOOTAGE <u>9950</u> FT. @ <u>26.00</u> /FT.	258,700			
DAY WORK <u>5</u> DAYS WDP @ \$ <u>6,000</u> /DAY	32,000			
DAYS WODP @ \$ _____ /DAY				
CEMENT AND CEMENTING	25,000			
TESTING AND CORING	6,000			
LOGGING	16,000			
PROFESSIONAL SERVICES (LEGAL, ENGINEERING, GEOLOGICAL, SURVEY)	24,200			
MUD MATERIALS, FUEL, WATER	35,000			
BITS, COREHEADS AND RENTALS				
MISCELLANEOUS SERVICES (INC. MARINE, RIGGING, WELDING ETC.)	19,000			
MISCELLANEOUS (INC. LABOR & TRANSPORTATION & BLOWOUT INS.)	21,900			
CONTINGENCY — %				
ADMINISTRATIVE, GENERAL EXPENSE				
TOTAL DRILLING	459,800	459,800		

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Case No. 12359 Exhibit No. 12
 Submitted by:
Marbob Energy Corporation
 Hearing Date: March 15, 2000

COMPLETION INTANGIBLES:				
COMPLETION UNIT _____ DAYS/HRS. @ \$ _____		\$ 11,700		
CEMENT AND CEMENTING		33,000		
PERFORATING AND LOGGING		10,500		
FRAC AND/OR ACID TREATMENT		43,600		
FUEL, WATER, POWER		3,900		
BATTERY CONSTRUCTION - DIRT WORK, ETC.				
COMPLETION TOOLS AND EQUIPMENT - RENTALS		15,000		
PROFESSIONAL SERVICES (LEGAL, ENGINEER, GEOLOGY, ETC.)		4,000		
MISCELLANEOUS SERVICES (INC. MARINE, WELDING, BACK FILL, ETC.)				
OTHER (INCLUDING LABOR & TRANSPORTATION)		1,000		
CONTINGENCY — %				
TOTAL COMPLETION		122,700		
TOTAL INTANGIBLES		\$ 582,500		

DRILLING AND COMPLETION TANGIBLES				
CASING				
<u>1850</u> FT. @ \$ _____ /FT.	24,600	24,600		
<u>9950</u> FT. @ \$ _____ /FT.		86,500		
<u>9910</u> FT. @ \$ _____ /FT.		35,100		
TUBING	2,000	30,000		
WELLHEAD EQUIPMENT		3,000		
FLOATING EQUIPMENT, CENTRALIZERS, SCRATCHERS				
RODS _____ FT. @ \$ _____ /FT.				
SUBSURFACES EQUIPMENT - BH PUMP, ETC.				
LINE PIPE _____ FT. @ \$ _____ /FT.				
TANKS, TREATERS, SEPARATORS, LINERS, WALKS, ETC.		30,000		
GAS PROCESSING UNIT		15,000		
MARINE - BARGES, PLATFORMS, ETC.				
PUMPING UNIT AND ENGINE		15,000		
OTHER MISCELLANEOUS EQUIPMENT (FENCES, CULVERT, TOOLS, ETC.)				
CONTINGENCY — %				
TOTAL EQUIPMENT COST	26,600	\$ 239,200		
TOTAL WELL COST	\$ 486,400	\$ 821,700		
LEASES _____ ACRES @ _____ PER ACRE				
TOTAL WELL AND LEASE COST				

APPROVALS:

OPERATOR Marbob Energy Corporation By _____ WI _____ % DATE 12/28/99
 COMPANY _____ By _____ WI _____ % DATE _____
 COMPANY _____ By _____ WI _____ % DATE _____