

Gothie Production Corporation
6120 South Yale Avenue, Suite 1200
Tulsa, OK 74136
918 749 5666 ofc
918 749 5882 fax

Authorization for Expenditure
June 19, 2000

McClellan MOC Federal Com. 22
1310' FSL and 1650' FEL
SE/4 Section 28-S5-25E
Chaves County, New Mexico
Prepared by R.L. Hilburn, P.E.

Drilling intangibles

224/101	Legal Fees					5,000
224/114	Surveying and elevation					400
224/115	Conductor					3,000
224/102	Damages					-
224/106	Water					8,000
224/103	Location and road					10,000
224/104	Drilling rig	daywork	1	days at	\$5,500 per day	5,500
		footage	4,200	feet at	\$14.00 per foot	58,800
224/105	Mud, chemicals and drayage		4,200	feet at	\$1.00 per foot	4,200
224/110	Open Hole Logging					4,300
224/116	Mud Logging		5	days at	\$375 per day	2,250
224/117	Equipment Rental		10	days at	\$100 per day	1,000
224/108	Cementing, surface casing					5,000
224/119	Miscellaneous Equipment	pit liner				3,000
224/107	Trucking					2,000
224/113	Labor					500
224/118	Other Services	forklift				1,000
224/111	Geology and Engineering		9	days at	\$525 per day	4,725
224/109	Drilling Overhead		1	month(s) at	\$2,500 per month	2,500
224/112	Contingency				10%	12,138
Total drilling intangibles						\$133,513

Drilling tangibles

226/101	Casing, surface		900	feet at	\$7.50 per foot	6,750
226/102	Well head equipment					1,000
226/103	Float equipment					800
226/112	Contingency				10%	855
Total drilling tangibles						\$9,405

Completion intangibles

224/101	Location and road					2,500
225/101	Cementing, production casing		4,200	feet at	\$3.00 per foot	12,600
225/104	Completion rig		2	days at	\$1,600 per day	3,200
225/103	Perforating and GR-CBL					1,500
225/102	Formation treatments					42,000
225/105	Equipment Rentals					2,000
225/109	Water or Diesel					4,000
225/110	Miscellaneous Equipment					500
225/111	Trucking					800
225/108	Roustabout work		5	days at	\$1,000 per day	5,000
225/112	Other Services					1,000
225/106	Engineering		2	days at	\$525 per day	1,050
225/113	Completion Overhead		1	month(s) at	\$2,500 per month	2,500
225/107	Contingency				10%	7,865
Total completion intangibles						\$86,515

Completion tangibles

227/102	Production casing		4,200	feet at	\$4.80 per foot	20,160
227/107	Float equipment					1,000
227/103	Well head					4,500
227/104	Production tubing		4,200	feet at	\$2.00 per foot	8,400
227/106	Production Equipment					4,900
227/101	Flowlines					2,000
227/108	Contingency				10%	4,006
Total completion tangibles						\$44,066

Approved: 
Gothie Production Corporation

Date: 6/19/00

Dry hole cost: \$142,918
Completed well cost: \$273,499
Your Interest:
Your Total Cost:

Approved: _____
Company

Date: _____

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