

MATADOR PETROLEUM CORPORATION

8340 MEADOW ROAD, Ste 158

DALLAS, TEXAS 75231-3751

(214) 987-3650

FAX # (214) 691-1415

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	10/20/00	AFE NO.:	
PROSPECT NAME:	WILSON-OSUDO	OPERATOR:	MATADOR OPERATING COMPANY
LEASE NAME:	LAURA STATE 13 COM #2		
DESCRIPTION:	12900' MORROW TEST		
LOCATION:	660' FNL & 1980' FEL, SEC 13, T21S-R34E		
COUNTY:	LEA	STATE:	NM
		PROPOSED TD:	12,900'

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	TOTAL COSTS
01 Land/Legal/Regulatory	\$ 2,000	\$	\$ 2,000
02 Location, surveys & damages	35,000	2,500	37,500
10 Rig Costs, Ftg, DW, Turnkey	41 + 3 DAYS @ \$7600/DAY	22,000	334,000
13 Mob & Demob	30,000		30,000
16 Cementing & Float Equip	35,000	25,000	60,000
18 Testing, DST & Production		5,000	5,000
19 Coring & Core Evaluation			0
20 Open Hole Logging	PEX-HRLA-BHC, SWC		35,000
21 Mudlogging	START @ 6000'		18,000
22 Geological Supervision	2,000		2,000
24 Mud & Chemicals	60,000		60,000
25 Mud & Cuttings Disposal			0
26 Freight / Transportation	10,000	5,000	15,000
28 Supervision / Engineering	30,000	10,500	40,500
30 Rental Equipment	50,000	15,000	65,000
31 Drill Bits	55,000		55,000
32 Fuel & Power	40,000	2,000	42,000
33 Water	25,000	10,000	35,000
34 Overhead	15,000	5,000	20,000
38 Directional Drilg, Surveys			0
40 Completion Unit / Swab Unit		25,000	25,000
44 Cased Hole Log, Perforating		20,000	20,000
46 Stimulation		100,000	100,000
48 Insurance	3,000		3,000
50 Labor	15,000	3,000	18,000
52 Miscellaneous	8,000		8,000
54 Contingency			0
TOTAL INTANGIBLES >	\$780,000	\$250,000	\$1,030,000

TANGIBLE COSTS			
40 Conductor Casing	20" @ 40'	\$ 2,000	\$ 2,000
41 Surface Casing	13-3/8" @ 1400'	25,000	25,000
42 Intermediate Casing	9-5/8" @ 5750'	90,000	90,000
43 Drilling Liner			0
44 Production Casing	5-1/2" @ 12900'		100,000
45 Production Liner			0
46 Tubing	2-3/8" @ 12900'		42,000
47 Wellhead	5,000	15,000	20,000
48 Packers, Liner Hangers		25,000	25,000
49 Tanks		15,000	15,000
50 Production Vessels		15,000	15,000
51 Flow Lines		7,000	7,000
52 Rod String			0
53 Pump Unit & Prime Mover			0
55 Installation Costs		12,000	12,000
57 Miscellaneous		10,000	10,000
58 Non-Controllable Surface		6,000	6,000
59 Non-Controllable Downhole		3,000	3,000
TOTAL TANGIBLES >	\$122,000	\$250,000	\$372,000
TOTAL COSTS >	\$902,000	\$500,000	\$1,402,000

MATADOR OPERATING COMPANY

Prepared By: 

Date: 10/20/00

Approved By: 

Date:

R. F. Burke, Vice President

APPROVAL:
NON-OPERATOR:

This AFE is an e
you agree to pa

BEFORE THE
OIL CONSERVATION DIVISION

Case No. 12573 Exhibit No. 6

Approved :

Disapproved:

Submitted By:

Matador Petroleum Corp.

Hearing Date: January 11, 2001

Working Interest:

Signed by: