

OXY USA INC. AUTHORITY FOR EXPENDITURE

AFE NO:

Lease/Plant Name:	OXY LIMOUSINE FEDERAL NO. 1	
Description:	DRILL AND EQUIP	ı
Partnership/Funding	2000 PLANNED CAPITAL	
Location:	1780'FNL & 660' FWL, SEC.15, T20S, R25E, EDDY COUNTY, NM	
Field:	CEMETARY MORROW Region AFE No: 17006	
Operator Name:	OXY USA INC. Production Foreman No: 1420	
Oper AFE No:	Lease/Plant CC No:	
State/County No:	30015 Co/Div No: 20177	
Capital Proj No:	Budget Appr No: 000200	
Remarks:		

It is proposed to drill and equip the OXY LIMOUSINE FEDERAL NO. 1 as a Morrow producer in the CEMETARY MORROW Field, Eddy County, New Mexico. Your approval is requested.

Geologic interpretation has identified the proposed location to be in a Morrow producing trend.

Estimated Cost De	tail			Labor	
			Materials:	Incidentals:	Total:
Gross Cost			186485	538200	724685
Oxy Net Cost@	71.87500%	WI	134036	386831	520867

CONCURRENCES

Asset Team Leader	Business Team Leader	Operations Team Leader	Engineering	Geology	Land	Acctg Team Lead
OXY AF	PPROVAL:				BEFORE THI	DIVISION
W.I. OWNER AF	PPROVAL:			OIL (Case No Submit	BEFORE THE CONSERVATION 0.12631 Exhibit and By:	No
С	OMPANY:			Hearin OXX 0	ted By: SA, Inc. g Date: April 5,	-

Prepared By:

Gary Womack

Phone number: (915) 685-5772

Date: 01-Nov-00

Requested By: I.E.C.A.I.E.

Prepared By G. WOMACK

OXY USA INC. DETAILED WELL ESTIMATE

LEASE - WELL NO. O	XY LIMOUSIN FEDERAL NO. 1	DATE:	01-Nov-00
LOCATION 1780' FNL &	& 660' FWL	DEPTH:	9,800
S 15 T 20-S R 25	5-E COUNTY Eddy	STATE New Mexico	AFE NO.

		<u> </u>		Ι	ESTIMATE	BEFORE	AFTER
DESCRIPTION	GRADE	\$/FT	QUAN.	w	PRODUCER	CSG PT	CSG PT
TANGIBLES						- ;	
Casing							
Surface 13-3/8", 48#, H-40 ST8	C A	15.91	350		6,364	6,364	
Intermediate 8-5/8", 32#, K-55 ST&C		10.53	1375		14,479	14,479	
Production 4-1/2", 11.6#, N-80 LT8		6.05	9800		59,290	14,410	59,290
4 1/2 , 11.0%, 14 00 E10	<u> </u>	0.00	0000		00,200	· · · · · · · · · · · · · · · · · · ·	00,200
Wellhead Connections					12,000	4,000	8,000
Turbing 2-3/8", 4.7#, N-80		2.79	8800		24,552	.,	24,552
Sucker Rods							2.,002
Bottom Hole Pump							
Engine or Motor							
Pumping Unit				\neg			
Electrical Equipment						Ter .	
Line Pipe & Fittings				-	5,000	····	5,000
Packer and Accessories					8,000		8,000
Gold and Accessories					- 0,000		0,000
TANK BATTERY						14	
Stock Tanks 2 500 bbl					12,000		12,000
Separator, Heater Treater, Dehydrator					20,000		20,000
Meter Run & Housing					4,800		4,800
Labor & Transportation					20,000	r	20,000
Total Tangibles					186,485	24,843	161,642
INTANGIBLES							
Contract Drilling Labor		i			219,200	219,200	
Rotary Day Work						· · · · · · · · · · · · · · · · · · ·	
Service Rig Work @ \$1800/day		10			18,000	-	18,000
Subsurface Casing Equipment					5,000	2,000	3,000
D.S.T., Electric, Radioactivity Logs, etc.					25,000	25,000	
Acidizing, Fracing					18,000		18,000
Perforating					15,000		15,000
Misc. Company & Contract Labor					15,000	10,000	5,000
Road Building, Location				-	25,000	25,000	
Cement & Cementing Services					28,000	10,000	18,000
Cement Squeeze Jobs							
Drilling Mud, Chemicals				\dashv	30,000	30,000	
Diamond Coring & Analyses, Bits, Reamers				$\overline{}$	40,000	40,000	
Mud Logging Unit	- 				12,500	12,500	
Rental of Miscellaneous Equipment				-	20,000	15,000	5,000
Contract Hauling					10,000	8,000	2,000
Water, Fuel	- 				25,000	20,000	5,000
Miscellaneous Incidentals				-+	30,000	20,000	10,000
Archaeological Services				\dashv	2,500	2,500	10,000
				-			
Total Intangibles				\dashv	538,200	439,200	99,000
Total Estimated Cost - 100%					724,685	464,043	260.642
THE LOUISINGTON COST - 100 /6					124,000	404,043	260,642