

PATTERSON PETROLEUM LP
DRILLING & COMPLETION DETAILED COST ESTIMATE

Lease Name: Gach "31" State	Well No. 1	Depth: 13,600'
Location: 990' FSL & 1650' FEL of Sec. 31, T-17-S, R-34-E		
Field: N. VACUUM	State: NM	
Objective Formation: MORROW	County: LEA	Contract Type: Daywork

CATEGORY	DRILL & TEST	COMPLETION	TOTAL
1. Acreage Cost.....	\$ -	\$ -	-
2. Abstracts/Legal	2,000		2,000
3. Location Costs.....	22,000	2,500	24,500
4. Footage Contract ft. @ \$ /ft.....			-
5. Daywork Contract 58 days @ \$ 13500 /day.....	742,500	40,500	783,000
6. Mobilization.....	50,000		50,000
7. Fixed Overhead.....	5,000		5,000
8. Well Control Insurance.....	6,000		6,000
9. Bits, Reamers & Stabilizers.....	51,000		51,000
10. Directional Services.....			-
11. Equipment Rentals.....	45,000	6,500	51,500
12. Labor/Supervision - Contract.....	16,000	4,500	20,500
13. Labor/Supervision - Company.....	3,000	3,000	6,000
14. Trucking.....	2,000	2,000	4,000
15. Fuel/Power.....	50,000		50,000
16. Water/Well.....	30,000		30,000
17. Chemicals/Mud & Services.....	80,000		80,000
18. Drill Stem Testing.....	6,000		6,000
19. Coring.....	12,000		12,000
20. Logging.....	60,000		60,000
21. Geological, Geophysical.....	27,000		27,000
22. Engineering Services.....	1,000		1,000
23. Cement & Equipment.....	40,000	55,000	95,000
24. Fishing Tools.....			-
25. Completion Unit - 5 days.....		10,000	10,000
26. Cased Hole Wireline.....		16,000	16,000
27. Stimulation.....			-
28. Plugging.....	7,000		7,000
29. Surface Damages.....	2,000		2,000
30. Miscellaneous.....	15,000	10,000	25,000
TOTAL INTANGIBLES	\$ 1,274,500	\$ 150,000	\$ 1,424,500
31. Casing - Surface			
440 ft of 13 3/8"OD 54.5 #/ft @ \$ 18/ft.....	7,920		7,920
32. Casing - Intermediate			-
4800 ft of 9 5/8"OD 36&40#/ft @ \$ 14/ft.....	67,200		67,200
33. Casing - Production			-
13000 ft of 7"OD 26 #/ft @ \$ 12.75/ft.....	165,750		165,750
900 ft of 5"OD 18 #/ft @ \$ 9.20/ft.....		8,280	
34. Production Tubing			-
13600 ft of 2 7/8"OD 6.5 #/ft @ \$ 3.8/ft.....		51,680	51,680
35. Wellhead.....	7,500	33,000	40,500
36. Pumping Unit.....			-
37. Rods.....			-
38. Sub-surface Equipment.....		30,000	30,000
39. Line Pipe & Battery Fittings.....			-
40. Surface Production Facilities.....			-
41. Miscellaneous Equipment.....			-
TOTAL TANGIBLES	\$ 248,370	\$ 122,960	\$ 363,050
TOTAL WELL COST	\$ 1,522,870	\$ 272,960	\$ 1,787,550

Prepared By: Nolan von Roeder

Date: 04/12/01

Approved By: _____

Date: _____

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 12668 Exhibit No. 3
Submitted by: Patterson Petroleum, LP
Hearing Date: May 31, 2001