BEFORE THE
OIL CONSERVATION DIVISION
Case No. 12796 Exhibit No. 11
Submitted By:
San Juan Resources
Hearing Date: February 21, 2002

SAN JUAN RESOURCES, INC.

AUTHORITY FOR EXPENDITURE
FOR DRILLING/COMPLETION OF WELL

DATE: February 24, 2001		AFE NO.:	3	
	Kaempf	WELL NO.:	# 1E	
FORM:	Dakota/Mesa Verde Commingled Well			
LOC:	NE SE SEC 19, T30N R11W	COUNTY:	San Juan	Est MV Cost
OPER:	SAN JUAN RESOURCES, INC.	STATE:	NM	Allocation

ACCTING CODE	EXPENDITURE DESCRIPTION	TANGIBLE COST	INTANG COST	50%	Comments
	DRILLING COSTS				
101	LEGAL COSTS/DAMAGES	XXXXXXXX	3250	1625	
102	DIRT WORK	XXXXXXXX	5000	2500	
103	RIG MOBILIZATION/DEMOBILIZATION	XXXXXXXX	4000	2000	
104	FOOTAGE DRILLED $23/foot to BASE MV (4736')	XXXXXXXX	108928	54464	
104 c/a	FOOTAGE DRILLED $23/foot BASE MV- BASE DK	XXXXXXXX	46322		
	4736-6750 (2014') + 7300/DAY		7300	3650	
106	FUEL, LUBRICANTS, POWER	XXXXXXXX	0		
107	BITS	XXXXXXXX	500	250	
108	WATER/PURCHASE/TRANSPORTATION	XXXXXXXX	14000	7000	
109	DRILLING MUD ADDITIVES	XXXXXXXX	6000	3000	
111	CEMENT/CEMENTING SERVICES	XXXXXXXX	5000	2500	
112	CONTRACT SERVICES & CONT LABOR, WELDING	XXXXXXXX			
114	P&A & ENVIRONMENTAL CONCERNS	XXXXXXXX	1500	750	
119	OPEN HOLE LOGGING	XXXXXXXX	15000	7500	
120	MUD LOGGING GEOLOGICAL SERVICES	XXXXXXXX	4000	2000	
122	ENGINEERING SUPERVISION, 3RD PARTY SVS	XXXXXXXX	4500	2250	
130	DRILL PIPE AND COLLAR INSPECTION	XXXXXXXX			
	SUBTOTAL BEFORE OH	XXXXXXXX	225300	89489	
135	CONTINGIENCIES & TAXES 10%	XXXXXXXX	22530	8949	
138	OVERHEAD 12 DAYS @ 4906/MONTH	XXXXXXXX	1280	640	

	SUBTOTAL DRILLING INTANGIBLES		**$249,110**	**$99,078**	
250	SURFACE CASING	4000	XXXXXXXX	2000	
250	INTERMEDIATE CASING	0	XXXXXXXX		
251	CASING ACCESSORIES DRILLING	2500	XXXXXXXX	1250	
252	CASING HEAD	0	XXXXXXXX		
264	MISCELLANEOUS	0	XXXXXXXX		
	SUBTOTAL DRILLING TANGIBLES	**$6,500**		**$3,250**	
	TOTAL DRY HOLE COST		**$255,610**	**$102,328**	
	COMPLETION COSTS				
101	PERMANENT DAMAGES, PERMITS	XXXXXXXX	0		
102	DIRT WORK	XXXXXXXX	5000	2500	
103	SURVEYOR/ARCHEOL/ROADS/LOCATION/ROW	XXXXXXXX	0		
104	COMPLETION UNIT 12 DAYS @ $2000/DAY	XXXXXXXX	24000	12000	
104 c/a	COMPLETION UNIT BASE MV- BASE DK 4736-6716 (1980')	XXXXXXXX			
106	FUEL, LUBRICANTS, POWER	XXXXXXXX	0		
107	BITS	XXXXXXXX	0		
108	WATER/PURCHASE/TRANSPORTATION	XXXXXXXX	7000	3500	
111	CEMENT/CEMENTING SERVICES 2 STAGE, PROD CSG OVR THE MV	XXXXXXXX	45000	30000	MV only
112	CONTRACT SERVICES & CONT LABOR, WELDING	XXXXXXXX	5000	2500	
115	EQUIPMENT RENTAL--COMPLETION	XXXXXXXX	4500	2250	
125	TRANSPORTATION--DRILLING	XXXXXXXX			
119	CASED HOLE PERFORATING	XXXXXXXX	14000	7000	
122	ENGINEERING SUPERVISION, 3RD PARTY SVS	XXXXXXXX	12000	6000	
128	STIMULATION AND TREATMENT	XXXXXXXX	150000	70000	MV only
130	DRILL PIPE AND COLLAR INSPECTION	XXXXXXXX			
136	MISC EQUIPMENT/SUPPLIES COMPLETION	XXXXXXXX	6000	3000	
	SUBTOTAL BEFORE OH	XXXXXXXX	272500	138750	
135	CONTINGIENCIES & TAXES 10%	XXXXXXXX	27250	13875	
138	OVERHEAD 13 DAYS @ 4906/MONTH	XXXXXXXX	2091	$1,046	

	SUBTOTAL COMPLETION INTANGIBLES		**$301,841**	**$153,671**
250	PRODUCTION CSG AND LINER	45562	XXXXXXXX	15984 to MV only*50%
251	PRODUCTION TBG AND HANGER	16537	XXXXXXXX	5696 to MV only*50%
252	WELLHEAD EQUIPMENT	9500	XXXXXXXX	4750
254	PUMPING UNIT	0	XXXXXXXX	
255	TANK BATTERIES	8400	XXXXXXXX	4200
267	SEPARATORS, TREATERS, DEHYDRATORS	16000	XXXXXXXX	6000 MV only * 50%
	SUBTOTAL COMPLETION TANGIBLES	**$95,999**		**$36,630**
	TOTAL COMPLETION COST		**$397,840**	**$190,301**

TOTAL DRILLING INTANGIBLES	**$249,110**	**$99,078**
TOTAL DRILLING TANGIBLES	**$6,500**	**$3,250**
TOTAL DRY HOLE COST	**$255,610**	**$102,328**
TOTAL COMPLETION INTANGIBLES	**$301,841**	**$153,671**
TOTAL COMPLETION TANGIBLES	**$95,999**	**$36,630**
TOTAL COMPLETION COST	**$397,840**	**$190,301**
TOTAL WELL COST	**$653,450**	**$292,628**

PARTNER APPROVALS:

WI %	OWNER	MESA VERDE ESTIMATED COST
5.630%	Frank King	$16,476

APPROVED BY ______________________ DATE ______________

TITLE ______________________