

**ESTIMATE OF FUTURE COST AND VALUE
STATE 2 #5 PRESSURE MAINTENANCE PROJECT
POGO PRODUCING COMPANY**

PROJECT COST, M\$

WELL COMPLETION	\$86
WELL EQUIPMENT	\$29
SURFACE FACILITIES	\$58
FACILITIES INSTALLATION	<u>\$27</u>

TOTAL COST: \$200

VALUE OF INCREMENTAL PRODUCTION, M\$

INCREMENTAL OIL, MBO	95
INCREMENTAL GAS, MMCF	56
OIL VALUE @ \$30.00/BO	\$2,850
GAS VALUE @ \$4.00/MCF	\$224
LESS OPERATING EXPENSE @ \$6.70/BOE	<u>(\$699)</u>

TOTAL INCREMENTAL VALUE: \$2,375

OIL CONSERVATION DIVISION

CASE NUMBER _____

_____ PERMIT 11