

SOUTHWEST PRODUCTION COMPANY  
3108 Southland Center  
Dallas 1, Texas

Forced Pooling, Order No. R-2377

WELL COSTS

Lease Name:

Zella Calloway No. 1 Well (DK)  
E/2, Section 3-30N-11W  
San Juan County, New Mexico

<u>Invoice No.</u>	<u>Description</u>	<u>Amount</u>
Statement	San Juan Engineering Company, 5-31-62 Stake location and survey elevation 2% New Mexico School Tax	\$ 100.00 2.00 102.00*
Statement	San Juan Engineering Company, 6-30-62 Restaked location 2% New Mexico School Tax	37.50 .75 38.25*
158-62	Aspen Drilling Company, 7-24-62 Contract drilling to 6975'	35,000.00 35,000.00*
S 520508	Halliburton Company, 7-8-62 2-4½" 8R DV multi-stage cementer, W/3-stage conversion kit New Mexico State Tax	808.00 16.16 824.16*
T 180986	Halliburton Company, 7-18-62 Drill stem test New Mexico State Tax	525.00 10.50 535.50*
BC 620354	Halliburton Company, 7-23-62 600 cu. ft. Pozmix-S cement New Mexico State Tax	1,575.13 31.50 1,606.63*
BC 620392	Halliburton Company, 8-3-62 363 sks. 20-40 bulk fracturing sand, 200 sks. 40-60 bulk fracturing sand New Mexico State Tax	1,182.59 23.65 1,206.24*
FS 208902	Halliburton Company, 8-3-62 Sand-water fracturing New Mexico State Tax	5,580.70 111.61 5,692.31*
T 33214	Industrial Supply Company, 7-31-62 2-4½" #231-C1-4201 Baker Metal Petrol Baskets 1-4½" FIG #207 SJ cement guide shoe larkin 1-4½" FIG #451 Filrite collar larkin 1-kit joint lok larkin New Mexico State Tax	102.70 30.30 82.95 5.50 4.43 225.88*

<u>Invoice No.</u>	<u>Description</u>	<u>Amount</u>
T 32686	Industrial Supply Company, 7-31-62 Casinghead 10" S/600X8" Finole type W/F housing Gaskets, studs, nuts, plug valve, ball plug, nipple Frt. chg. on 301# @4.35 CWT, 30# @2.71 CWT New Mexico State Tax	\$ 203.98 96.47 13.91 6.29 320.65*
T 33217	Industrial Supply Company, 7-31-62 CA slip & seal assy. 10"X4½" incl. Allen wrench 10X4½ R seal assy. Spool tbg. head F 10X6 S/600 SWZ 2" std outlets Bit pilot, retainer wire, flanges, plugs, rings, studs, nipples, nuts, tees, gaskets, New Mexico State Tax	247.17 84.01 361.73 146.77 16.79 856.47*
T 33218	Industrial Supply Company, 7-31-62 Valve tree Cameron, sgle. string, solid block btm. flg. 6" 2000# WP W/prep F HB hanger W/12-1/16" bore master valve std. 2" 2000# W/P top TDD 2" 2000W W/P incl. handwheel Flanges, nuts, nipples, unions 2% New Mexico State Tax	578.00 60.59 12.77 651.36*
T 33235	Industrial Supply Company, 8-20-62 3-7/8" OW Hughes tricone bit Frt. chg. 10# @4.43 CWT New Mexico State Tax	95.63 .44 1.92 97.99*
A 17527	Pan Geo Atlas Corporation, 8-3-62 Perforate: 54 holes, 6807'-6825'; 42 holes, 6715'-6729' Service charge 1% New Mexico School Tax	723.80 150.00 8.74 882.54*
4732	Panhandle Steel Products Company, 8-18-62 210 bbls. API flat bottom welded steel storage tanks, W/rolling line, downcomer, tar paper, 4' single tank landing, API stairway, 2" Enardo stack valve 2% New Mexico State Tax	1,433.26 28.67 1,461.93*
T 33216	Industrial Supply Company, 8-13-62 6418' of 4½" J-55 Range 2 1050# steel casing T&C 120.74 CFT 674 lbs. frt. from mill @.80 CFT 2% New Mexico State Tax	77.49 5.39 1.66 84.54*

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T 68639	Valley Steel Products, 8-6-62 Refund of thread protector	\$ (42.00) (42.00)*
N 2011	M & H Trucking Company, 7-26-62 Haul 418 lbs. acid from Farmington to well site 2% New Mexico School Tax	91.00 1.82 92.82*
04175	Bernard Smith, 7-23-62 7 hours of welding @7.00 per hr.	49.00 49.00*
43004	Atomic Sign Service, 7-5-62 1 Metal sign New Mexico State Tax	12.50 .38 12.88*
174-62	Aspen Drilling Company, 8-9-62 Third party service Schlumberger logging Aspen share of cost	1,812.66 (1,221.55) 591.11*
4353	O. D. Burleson Trucking, Inc., 8-6-62 Haul 100 bbls. rig water, 1 hr. 15 min. @14.00 per hr 2% New Mexico State Tax	17.50 .35 17.85*
168-62	Aspen Drilling Company, 8-2-62 Third party services: Bernard Smith, 2 cattle guards Construction Supply Co., miscl. fittings	550.00 22.67 572.67*
Statement	F. P. Crum, Jr., 8-3-62 Checked samples, ran electric log & DST #1, ran electric log & set casing 6984', 3-stage cement job 2% New Mexico State Tax	225.00 4.50 229.50*
J 8-8	Material Transfer, 8-31-62 6819' of 2-3/8" tubing for production string @21.275 CFT (216 jts. for production string, 5 jts. to tie in well head)	2,132.64 2,132.64*
T 33607	Industrial Supply Company, 9-27-62 1 1/2" Control plugs Freight New Mexico State Tax	21.60 .25 .44 22.29*
267	Ralph W. Miller, Inc., 9-21-62 Picking up material & resetting cattle guards 1% New Mexico School Tax	142.80 1.43 144.23*

<u>Invoice No.</u>	<u>Description</u>	<u>Amount</u>
T 33225	Industrial Supply Company, 8-24-62 45-5' Roto scratchers 25-4 $\frac{1}{2}$ " Spin D liner 10-4 $\frac{1}{2}$ " Centralizers New Mexico State Tax	\$ 427.50 248.75 155.00 16.63 847.88*
T 33219	Industrial Supply Company, 7-31-62 Weld 2000# W/P X2" LP $\frac{1}{2}$ " NPT angle needle valve, $\frac{1}{2}$ " NPT strt. needle valve 2-3/8" EUE tapped $\frac{1}{2}$ " NPT bull plugs & 2-3/8" EUE pine XI $\frac{1}{2}$ lord reg Swage 4 $\frac{1}{2}$ 3000# face marsh gauges 6x2-3/8 EUE FBB tubing hgr. Frt. chg. on 1250# @4.35, 230# @3.10 New Mexico State Tax	42.00 15.70 35.03 49.64 62.92 61.51 5.34 272.14*
63277	Industrial Supply Company, 7-27-62 7000'6" of 4 $\frac{1}{2}$ " 10.50# 0-53 BRT R-2 API CF&I Smls st/C 251 pcs. 120.74 CFT Plus special testing 37.1 tons, @5.00 ton New Mexico State Tax	8,453.61 185.85 172.79 8,812.25*
CS 887828	Halliburton Company, 7-24-62 Cementing services New Mexico State Tax	951.00 19.02 970.02*
6-201	B. F. Walker, Inc., 7-26-62 Haul casing - 74353# @.79	587.39 587.39*
CM 7286	Halliburton Company, 8-21-62 Cementing volume discount	(4.16) (4.16)*
2007	Lohmann Oil Well Services, 8-21-62 Completion unit August 2 through August 4, 1962 2% New Mexico School Tax	2,582.85 51.66 2,634.51*
2945	Beasley's Hot Shot Service, 8-3-62 Hauling of tubing, 1 $\frac{1}{2}$ hrs. @7.50 2% New Mexico State Tax	11.25 .23 11.48*
T 33608	Industrial Supply Company, 9-28-62 4-2"X12"X16' rough pine 4-6"X6"X16' rough pine 2% New Mexico Sales Tax	14.59 21.89 .73 37.21*
T 33619	Industrial Supply Company, 10-19-62 Nipples, plug valves, handles, lock-clips, bull plugs 2% New Mexico Sales Tax	86.51 1.73 88.24*
T 33620	Industrial Supply Company, 10-19-62 Pipe nipples, ells, tees, unions, pipe plugs 2% New Mexico Sales Tax	28.71 .57 29.28*

<u>Invoice No.</u>	<u>Description</u>	<u>Amount</u>
T 33621	Industrial Supply Company, 10-19-62 2" Weco 200 unions 1 qt. #2 rector seal, 2% New Mexico Sales Tax	\$ 7.00 2.81 .20 10.01*
T 33624	Industrial Supply Company, 10-23-62 1 drum Diethylene glycol, 520# 2% New Mexico Sales Tax	117.78 2.36 120.14*
273	Ralph W. Miller, 10-3-62 Building gate in cattle guard fence 1% New Mexico School Tax	20.70 .21 20.91*
281	Industrial Supply Company, 10-10-62 Hook up battery, dig and bury gas and fuel pits, dig and fence pit, fill vessels with glycol and water, load and move in surplus casing and pipes 1% New Mexico School Tax	336.85 3.37 340.22*
4881	Panhandle Steel Products Company, 9-30-62 1#1675-250 PSPCo cold weather production unit type CS W/3-phase separator, mrd. on 250,000 BTU indirect heater, W/submerged choke and split bundle 2" 3000# coils, all mtd. and piped 1 Kimray thermostat for heater 2 reinforced concrete foundation blocks Field labor to change out theromostats 2% New Mexico State Tax	3,200.00 20.00 40.00 25.00 65.20 3,350.20*
J 10-4	Direct salary and automobile expense Stake location and survey elevation, make settlement for surface damages 4 hrs, @7.41 Auto expense on 60 miles @.10 Drilling Engineer and Geologist, check samples to TD well, run logs, DST interval 6063', & cement casing, 48 hrs. @6.41 Auto expense on 180 miles @.10 Completion Engineer, perf. & SWF in 2 stages, 66 hrs. @7.41 Auto expense on 240 miles @.10 Production foreman, clean well, potential test, set production equipment & clean up location, 52 hrs. @4.43 Auto expense on 210 miles @.10	29.64 6.00 307.68 18.00 489.06 24.00 230.36 21.00 1,125.74*
J 12-7	Estimated additional expenses of cleaning up location and miscellaneous expense (subject to submission of final detailed list after work has been performed.)	1,000.00

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Page 6.  
FP Order No. R-2377

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J 12-8	Drilling well overhead for the period 7-7-62 through 8-8-62 (32/30 of \$250)	\$ 266.66 266.66*
	Total	<u>73,929.56</u>