

AUTHORITY FOR EXPENDITURE

Date 1/28/75

Lease Shipp Well No. 2 Field Stepout Depth 11,800'

Location _____

Reason for Request To drill and complete a Strawn well

INTANGIBLE DRILLING & DEVELOPMENT	BEFORE EXAMINER NUTTER OIL CONSERVATION COMMISSION <u>C&K</u> EXHIBIT NO. <u>6</u> CASE NO. <u>54464 5447</u>	ESTIMATED COST TO CASING POINT	COMPLETION COST AFTER CASING POINT
1. Surveying		\$ 200.00	\$
2. Roads and Location		5,000.00	
3. Damages		750.00	
4. Contract Drilling: MI & RU @ \$		10,000.00	
Day work: 55 days @ \$ 2600.00/day		143,000.00	
5. Cement & Cementing Services:			
Surface sax @ \$		1,850.00	
Intermediate sax @ \$		3,500.00	
Oil String sax @ \$			9,000.00
6. Drilling Fluids		25,000.00	
7. Drill Stem Testing: 2 Tests @ 1200/ea		2,400.00	
8. Coring & Analysis			
9. Electric Log		7,500.00	450.00
10. Perforating			1,100.00
11. Acidizing & Fracturing			5,000.00
12. Pulling units			5,000.00
13. Plugging			
14. Trucking		2,000.00	1,500.00
15. Geology		3,000.00	
16. Miscellaneous including bits & fuel		60,000.00	
17. Tool Rentals, Special Services		4,000.00	2,000.00
18. Contract Labor			1,500.00
19. Contract Overhead		3,000.00	750.00
20. Engineering			
21. Supervision		2,000.00	1,500.00
22. Insurance @ 1.323/ft.		15,600.00	
23. Contingencies		26,200.00	2,200.00
TOTAL INTANGIBLE DRILLING & DEVELOPMENT		\$ 315,000.00	\$ 30,000.00
EQUIPMENT (Itemized)			
24. Casing - Surface 400' - 13-3/8" @ \$16.80/ft		7,000.00	
Intermediate 8-5/8" 2400' @ 10.50/ft. 2400' @ 16.50		67,000.00	
Production 5" - 12,000' @ \$7/ft			84,000.00
25. Tubing 2-3/8" 12000' @ \$4.00/ft			48,000.00
26. Guide Shoes, Float, & Centralizers		650.00	1,400.00
27. Well Head		2,000.00	3,500.00
28. Tanks & Separators			18,000.00
29. Flow Lines			1,000.00
30. Valves & Fittings			1,500.00
Production Packers			1,500.00
31. Pumping Equipment			
Rods			
32. Other		7,350.00	16,100.00
TOTAL EQUIPMENT		\$ 84,000.00	\$ 175,000.00
TOTALS		\$ 399,000.00	\$ 205,000.00
TOTAL DRILLING & COMPLETION COSTS			\$ 604,000.00

ACCEPTED: _____ Date _____

Company _____

By _____

Your Interest _____ \$ _____

APPROVED:

C & K PETROLEUM, INC.

By _____

Operator's Interest _____ \$ _____