

0027

SANTA FE ENERGY COMPANY  
GENERALIZED WELL COST ESTIMATE

NAME: Amethyst Prospect  
LOC: 660' FNL & 660' FEL Section 22-19S-33E, Lea County, New Mexico  
DESC: Drill and complete a 13,800' Morrow Well

ACCOUNT	DESCRIPTION OF COSTS	DRY HOLE	PRODUCER
<b>501-000 TANGIBLE WELL COSTS</b>			
-41	CONDUCTOR CSG	3,000	3,000
-41	SURFACE CSG	10,345	10,345
-41	PROTECTION CSG		70,880
-41	DRILLING LINER		
-41	PROD CSG		
-41	PROD LINER		141,890
-42	TUBING		
-43	WELLHEAD		51,375
-44	PNPG UNIT		
-45	PRIME MOVER		
-50	OTHER OWN HOLE EQUIP		5,000
-50	ROOS		
-50	SUBSURFACE PMPS		
-55	CSG EQUIP	1,000	1,500
-55	ELECTRICAL		
-55	MISC. TANGIBLES		
-55	ROD EQUIP		
-55	TUBING EQUIP		
	TOTAL TANGIBLE COSTS	14,345	283,990
<b>541-000 LEASE FACILITY COSTS</b>			
-50	FLOW LINES		5,000
-50	LABOR		5,400
-50	OTHER PROD EQUIP		16,000
-50	TANK FACILITIES		3,100
	TOTAL LEASE FACILITY COSTS	0	29,500
<b>511-000 INTANGIBLE WELL COSTS</b>			
-21	LOCATION	20,000	20,000
-22	FENCING	1,000	1,000
-26	WTR & FUEL FOR RIG		
-31	CONTRACTOR MOVING EXP		
-32	CONT FOOTAGE OR TURNKEY	\$17.0/ft	234,600
-32	CONTRACTOR DAY WORK	4 at \$4200/d	16,800
-33	DRLG FLUID & ADDITIVES		50,000
-34	BITS & REAMERS		
-36	CORING & CORE ANALYSES		
-37	CEMENT	25,267	40,000
-39	INSPECTION & TSTG OF TANG	5,000	5,000
-41	DIRECTIONAL DRLG SURVEYS		
-42	DRILLING EQUIP RENTAL	10,000	10,000
-43	OPEN HOLE LOGGING	20,000	20,000
-44	DRILL STEM TSTG	10,000	10,000
-45	MUD LOGGING	12,250	12,250
-51	TRANSPORTATION	5,000	5,000
-52	COMPLETION UNIT		12,000
-53	COMPLETION TOOL RENTAL		10,000
-54	CASED HOLE LOGS & PERFING		10,000
-55	STIMULATION		30,000
-56	RIG SITE SUPERVISION	15,750	22,750
-72	ADMINISTRATIVE OVERHEAD	5,000	10,000
-99	FSHG TOOLS & EXPENSES		
-99	TESTING: BHP, GOR, 4 PT. POT		5,000
	ABANDONMENT COST	10,000	
	OTHER INTANGIBLES		
0	CONTINGENCY (10%)	44,067	52,440
	TOTAL INTANGIBLES	484,734	576,840
	<b>TOTAL COSTS</b>	<b>499,079</b>	<b>890,330</b>

BEFORE EXAMINER CATANACH  
 OIL CONSERVATION DIVISION  
 Santa Fe  
 EXHIBIT NO. 3  
 CASE NO. 9796

Drilling Dept: Michael P. Cantor Date: 9/18/89  
 Operations Dept: Thomas H. Denton Date: 9-18-89  
 SFEC Approved By: DB Kilgus Date: 9/18/89  
 Non Operator Approval By: \_\_\_\_\_ Date: \_\_\_\_\_