

YATES ENERGY CORPORATION

LEASE NAME & WELL NUMBER: PRICKLY PEAR FEDERAL NO. 1
 LEGAL LOCATION: NE/4NW/4 of SECTION 12, T-18S, R-31E
 COUNTY: EDDY STATE: NEW MEXICO DEPTH: 5,000' FORMATION: SAN ANDRES

Item	TO CASING POINT	COMPLETION	TOTAL WELL
INTANGIBLE COSTS:			
Location:			
Survey, etc.	\$800	\$0	\$800
Permit & Archaeological Services	1,000	0	1,000
Surface tenant costs	500	500	1,000
Road, pad & clean-up	10,000	2,500	12,500
Drilling:			
Footage -5,000' @ \$12.5/ft.	62,500	0	62,500
Daywork - 2.0/1.0 days @ \$4,000/day	8,000	4,000	12,000
Drilling Fluids:			
Mud, oil & chemicals (mud sweeps only)	7,500	0	7,500
Brine & Water	12,500	1,000	13,500
Cement:			
8-5/8" x 11" x 350', circulate	6,000	0	6,000
4-1/2" x 7-7/8" x 5000', circulate	0	23,000	23,000
Services:			
OH Logs: GR-CN-LDT & DLL w/MSFL	9,500	0	9,500
Testing: 1 DST, Potential test	4,000	1,500	5,500
Pulling unit	0	7,200	7,200
GR-CNL-CBL Log & Perforate	0	5,000	5,000
Acid: 1 @ 250 gal. & 1 @ 3000 gal.	0	6,500	6,500
Csg. crews	0	2,500	2,500
Hauling:			
Oil, water, etc.	500	500	1,000
Equipment	1,000	1,000	2,000
Rental:			
Rotating Hd., PVT, H2S, BOP, pipe racks, etc.	2,400	2,500	4,900
Water storage & test tanks	1,000	1,000	2,000
Supplies:			
Sample sx., pipe dope, etc.	1,000	500	1,500
Insurance:			
Normal, pro-rated	900	700	1,600
Supervision:			
Geological & Mud Logger (3/6)	3,600	0	3,600
Engineering (3/7)	1,650	3,500	5,150
Overhead (9/7)	1,350	1,050	2,400
Contingencies:			
Welding, packers, taxes (6%), misc. tools, etc.	8,260	6,490	14,750
TOTAL INTANGIBLES	143,960	70,940	214,900
TANGIBLE COSTS:			
Casing:			
Surface: 350' of 8-5/8" @ \$10./ft.	3,500	0	3,500
Production: 5,000' of 4-1/2" @ \$4.5/ft.	0	22,500	22,500
Tubing:			
5,000' of 2-3/8" @ \$2.25/ft.	0	11,300	11,300
Wellheads:			
Drilling and completion assembly	1,000	5,100	6,100
Tank Btty:			
2 -300 Bbl (0) 1 -300 Bbl. FO (W)	0	10,000	10,000
4' x 20' Heater-treater	0	6,500	6,500
Flowline:			
500 @ \$3.50/ft. incl. valves, etc.	0	1,800	1,800
Labor & dirt work:	0	2,500	2,500
Miscellaneous:			
Packer, tools, tax (6%), etc.	1,270	12,060	13,330
TOTAL INTANGIBLES	5,770	71,760	77,530
TOTAL WELL	\$149,730	\$142,700	\$292,430

BEFORE EXAMINER CATANACH
 OIL CONSERVATION DIVISION
Yates Energy
 EXHIBIT NO. 6
 CASE NO. 9998

Prepared by: Jim O'Briant March 5, 1990

IT IS RECOGNIZED THAT THE AMOUNTS PROVIDED FOR HEREIN ARE ESTIMATED ONLY, AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE OPERATIONS SPECIFIED, WHETHER MORE OR LESS THAN HEREIN SET OUT.

BEFORE EXAMINER CATANACH
 OIL CONSERVATION DIVISION
 APPROVED BY: _____
 COMPANY: Yates Energy
 DATE: _____
 EXHIBIT NO. 7
 CASE NO. 9978