

# AFE/COST ESTIMATE

San Juan Division  
Co./Div./Subsid./Dept.

AFE # D90080

ID # \_\_\_\_\_

Code General Account # \_\_\_\_\_

Exploratory \_\_\_\_\_ Development X

LEASE, WELL NAME, AND LOCATION FC State Com #17  
1580' FSL & 1335' FWL, Section 36, T29N, R10W, San Juan Co., New Mexico  
DESCRIPTION Drill & Complete a 2050' Fruitland coal well.

Sub Acct. Codes	ITEM DESCRIPTION	Dry Hole Cost	Completion Cost	Producer/Other						
105	DRILLING & COMPLETION	(A) FOOTAGE 2050' Ft. At \$ 14.15 /Ft. \$ 29,000	\$	\$ 29,000						
		(B) DAY WORK 1/8 Days At \$3600/1200 /Day 1,800	9,600	11,400						
		(C) MIRU - RDMO								
115	COMPANY LABOR & SUPERVISOR	1,000	1,000	2,000						
125	ENGINEERING CONSULTANTS 8/10 Days At \$ 400 /Day	3,200	4,000	7,200						
135	GEOLOGICAL CONSULTANTS Days At \$ /Day									
145	CONTRACT SERVICES & LABOR	1,000	3,000	4,000						
155	LOCATION, ROADS, SURVEYS, DAMAGES	15,000	5,000	20,000						
165	FUEL, LUBE, POWER									
175	BITS, HOLE OPENERS, REAMERS, STABILIZERS		600	600						
185	MUD. CHEMICALS, SERVICES & EQUIP. (A) MUD. CHEM., OIL	3,000		3,000						
	(B) WATER		1,000	1,000						
190	MUD LOGGING SERVICES									
195	LOGGING & PERFORATING	7,000	7,000	14,000						
200	FORMATION TEST & RELATED EQUIPMENT & SERVICES									
205	WELL STIMULATION SERVICES		145,000	145,000						
210	CORING & RELATED SERVICES									
215	CEMENTING SERVICES & ACCESSORIES	3,000	8,000	11,000						
225	RENTAL EQUIPMENT & TOOLS	500	2,500	3,000						
235	HAULING & FREIGHT	200	1,200	1,400						
245	CATERING & OTHER Days At \$ /Day									
255	MOBILIZATION - INSTALLATION (DRILLING PLATFORMS)									
265	DEMOBILIZATION - DISMANTLING & SALVAGE (DRILLING PLATFORMS)									
275	SUPPLYBOATS, CREWBOATS, BARGES, TUGS									
285	SHOREBASE, OFFICE, DOCK FEE & CRANES									
295	AIRCRAFT RENTALS—HELICOPTERS, FIXED WING									
305	DIVERS AND RELATED EQUIPMENT									
315	MISCELLANEOUS	3,300	9,500	12,800						
400	OVERHEAD Days At \$ /Day	1,000	1,500	2,500						
	Total Intangible Costs	\$ 69,000	\$ 198,900	\$ 267,900						
115	COMPANY LABOR & SUPERVISION	\$	\$	\$						
145	OUTSIDE LABOR & SERVICES									
325		Footage	Size	Weight	Grade	Cplg.	Price/Ft.			
	CASING AND TUBING	(A)	200'	8-5/8"	24#	K-55	STC	\$9.00	1,800	1,800
		(B)	2050'	5 1/2"	17#	N-80	LTC	7.50		15,400
		(C)	2000'	2-3/8"	4.7#	J-55	EUE	2.25		4,500
		(D)								
		(E)								
		(F)								
		(G)								
335	SUB-SURFACE WELL EQUIPMENT									
345	WELLHEAD & GUIDE STRUCTURE	1,000	3,000	4,000						
355	SURFACE WELL EQUIPMENT Artificial lift		40,000	40,000						
365	TREATERS & SEPARATORS		18,000	18,000						
370	COMPRESSORS 500 BBL Heated Tank		5,000	5,000						
375	BUILDINGS									
385	BUOYS AND MARKERS									
390	MISC. MATERIALS INSTALLATION & SERVICES		11,000	11,000						
400	CONSTRUCTION OVERHEAD									
	Total Tangible Costs	\$ 2,800	\$ 96,900	\$ 99,700						
	Total Costs	\$ 71,800	\$ 295,800	\$ 367,600						

Prepared By Thomas L. Cottrell Title Sr. Drlg. Eng. Date 2-19-90 Mesa WI \_\_\_\_\_  
 Others WI \_\_\_\_\_  
 Mesa Approved Edwin E. Hance Title Supv. Drlg. Date 2/21/90  
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WILLIAM STOGNER  
SAN JUAN DIVISION

WI Approval-Company \_\_\_\_\_ By: \_\_\_\_\_ Title \_\_\_\_\_ EXHIBIT NO. 3

CASE NO. 10003