

Requested by: J. Carroll
32-44 (11-84)

CITIES SERVICE OIL AND GAS CORPORATION
DETAILED WELL ESTIMATE

Prepared by: S. E. Gengler

OWN COPY
R. L. Doty

LEASE - WELL NO. Simpson A #2 DATE 4/18/90
LOCATION 1980' FSL & FEL PROP. DEPTH 11810'
S 29 T 21-S R 27-E COUNTY Eddy STATE NM AFE NO. _____

DESCRIPTION	GRADE	SIZE	QUAN.	W	ESTIMATE PRODUCER	ESTIMATE DRY HOLE	REVISED ESTIMATE	ACTUAL COST
TANGIBLES								
Casing								
Surface 13-3/8" 48# H-40 ST&C			630'		13,200	13,200		
8-5/8" 24# K-55 ST&C			2400'		28,800	28,800		
8-5/8" 32# K-55 ST&C			600'		8,500	8,500		
5-1/2" 17# N-80 LT&C			10480'		104,800			
5-1/2" 20# N-80 LT&C			1330'		15,950			
Well head connections	A				10,000			
Tubing 2-3/8" 4.7# N-80 EUE 8rd	A		11800'		43,400			
Sucker rods								
Bottom hole pump								
Engine or motor								
Pumping unit								
Electrical equip. incl. Labor & Trans.								
Line pipe, fittings incl. Labor & Trans.	A				5,000			
Packer & Accessories	A				4,000			
TANK BATTERY								
Stock tanks	A	300	2		7,000			
Separator, heater treater, dehydrator	A				12,000			
Meter run and housing					2,500			
Labor & transportation					5,000			
Total Tangibles					260,150	50,500		
INTANGIBLES								
Contract drilling labor 11810' @ \$15/foot					177,150	177,150		
Rotary day work 6 days @ \$4000/day					24,000	24,000		
Service rig work 12 days @ \$1100/day					13,200			
Subsurface casing equipment					2,500	1,500		
D. S. T., electric, radioactivity logs, etc.					50,000	47,000		
Acidizing, fracing					45,000			
Perforating					6,000			
Misc. company and contract labor					12,000	10,000		
Road building, location					25,000	25,000		
Cement and cementing service					25,000	19,000		
Cement squeeze jobs								
Drilling mud, chemicals					30,000	30,000		
Diamond coring & analyses, bits, reamers					18,000	18,000		
Mud logging unit 30 days @ \$350/day					10,500	10,500		
Rental of miscellaneous equip.					20,000	15,000		
Contract hauling					10,000	8,000		
Water, fuel					15,000	10,000		
Miscellaneous incidentals					12,000	8,000		
Total Intangibles					495,350	403,150		
Total estimated cost - 100% -					755,500	453,650		
Total estimate C. S. -	%							

APPROVED BY OPERATOR

OXY USA Inc.

R. L. Doty, Exploitation Manager

Date

6-15-90

APPROVED BY NON-OPERATOR

BEFORE EXAMINER DATA TAG
OIL CONSERVATION DIVISION
OXY EXHIBIT NO. 3
CASE NO. 10010