

S U P P L E M E N T A L 4
 OXY USA, INC.
 AUTHORIZATION FOR EXPENDITURE
 DOMESTIC EXPLORATION AND PRODUCTION
 AFE No.: 93072801-6

Lease or Facility Name: SIMPSON A #2 & 2Y

Location: 1980' FSL, 1980' FEL, S-29-T21SR-27E
 EDDY COUNTY, NM

Partnership:

Division/District: WESTERN

Operator: OXY USA INC.

Division/District AFE No.: 14090324

Operator AFE No.:

Appropriation No.: 900200

District PF/LOC Code: 13071424

Capital Project No.: 99999

Explor. Area: MAGRUDER UT

Explor. Area Code: 7700

Aux. Cost Center No.: 14279940-0

State/County Code: 30015

Sec. Rec. Project No.: 000

Offshore Zone: 0

Project: SIMPSON A #2 DRILL & EQUIP.

Remarks:

THIS IS TO REVISE THIS PROJECT TO CURRENT ESTIMATED COSTS.
 THE SIMPSON A2 AND 2Y WERE UNSUCCESSFUL.

BEFORE EXAMINED CATANACH	
OIL CONSERVATION DIVISION	
OXY	EXHIBIT NO. 2
CASE NO. 10200	

	Materials	Labor & Incidentals	Total
Prior Estimate	260,150	495,350	755,500
Prior Company Interest Est.	239,892	456,778	696,670
Revised Estimate	13,200	347,750	360,950
Revised Company Interest Est. 0.922131	12,172	320,671	332,843
Increase (Decrease) in Estimate	(246,950)	(147,600)	(394,550)
Increase (Decrease) in C.I. Estimate	(227,720)	(136,107)	(363,827)

Project Concurrence								Tulsa
Prod.	Exploit.	Explor.	Enginr.	Land	Acctg.	Div. FP&A	V.P.	Op. Con.
AUTHORIZATION:								FAA Mgr.

VP _____

EVP _____

Date Prepared: 1/08/91 Prepared By: AMJ Budget Commitment Date:

S U P P L E M E N T A L 2
 OXY USA, INC.
 AUTHORIZATION FOR EXPENDITURE
 DOMESTIC EXPLORATION AND PRODUCTION
 AFE No.: 93072818-6

Lease or Facility Name: SIMPSON A #2Z

Location: 1980' FSL, 1980' FEL, S-29-T21SR-27E,
 EDDY COUNTY, NM

Partnership:	Division/District: WESTERN
Operator: OXY USA INC.	Division/District AFE No.: 14090346
Operator AFE No.:	Appropriation No.: 900200
District PF/LOC Code: 13071424	Capital Project No.: 99999
Explor. Area: MAGRUDER UT	Explor. Area Code: 7700
Aux. Cost Center No.: 14279940-0	State/County Code: 30015
Sec. Rec. Project No.: 000	Offshore Zone: 0

Project: SIMPSON A 2Z DRILL & EQUIP.

Remarks:

THIS IS TO REVISE THIS PROJECT TO CURRENT ESTIMATED COSTS.

	Materials	Labor & Incidentals	Total
Prior Estimate	209,090	395,150	604,240
Prior Company Interest Est.	192,808	364,380	557,188
Revised Estimate	209,090	542,850	751,940
Revised Company Interest Est. 0.922131	192,808	500,579	693,387
Increase (Decrease) in Estimate	0	147,700	147,700
Increase (Decrease) in C.I. Estimate	0	136,199	136,199

Project Concurrence								Tulsa
Prod.	Exploit.	Explor.	Enginr.	Land	Acctg.	Div. FP&A	V.P.	Op. Con.
AUTHORIZATION:								FAA Mgr.

VP _____

EVP _____

Date Prepared: 1/08/91 Prepared By: AMJ Budget Commitment Date:

DETAILED WELL ESTIMATE

LEASE - WELL NO. Simpson A #2Z

LOCATION 1980' FSL & 1980' FEL

S 29 T 21S R 27E COUNTY Eddy

STATE New Mexico

DATE 10/22/90

DEPTH 12100'

AFE NO.

DESCRIPTION	GRADE	SIZE	QUAN	W	ESTIMATE PRODUCER	ESTIMATE DRY HOLE	REVISED ESTIMATE	ACTUAL COST
TANGIBLES								
Casing								
Surface 5-1/2" 17# N80 LT&C	A		10500		105,000		105,000	
5-1/2" 20# N80 LT&C	A		1600		19,184		19,184	
Wellhead Connections	A				5,000		5,000	
Tubing 2-3/8" 4.7# N80 EUE 8rd	A		12100		44,406		44,406	
Sucker Rods								
Bottom Hole Pump								
Engine or Motor								
Pumping Unit								
Electrical Equipment								
Line Pipe & Fittings	A				5,000		5,000	
Packer & Accessories	A				4,000		4,000	
TANK BATTERY								
Stock Tanks	A	300	2		7,000		7,000	
Separator, heater treater, dehydrator	A				12,000		12,000	
Meter run and housing					2,500		2,500	
Labor & transportation					5,000		5000	
Total Tangibles					209,090		209,090	
INTANGIBLES								
Contract Drilling Labor								
Rotary Day Work 25 days @ \$4500/day					112,500	112,500	171,000	
Service Rig Work 12 days @ \$1200/day					14,400	14,400	18,000	
Subsurface Casing Equipment					500		1,000	
D.S.T., Electric, Radioactivity Logs, etc.					50,000	47,000	50,000	
Acidizing, Fracing					45,000		50,000	
Perforating					6,000		10,000	
Misc. Company & Contract Labor					12,000	10,000	13,000	
Road Building, Location					5,000	5,000	7,500	
Cement & Cementing Services					10,000	8,000	10,000	
Cement Squeeze Jobs								
Drilling Mud, Chemicals					15,000	15,000	55,000	
Diamond Coring & Analyses, Bits, Reamers					21,000	21,000	26,000	
Mud Logging Unit 25 days @ \$350/day					8,750	8,750	10,350	
Rental of Miscellaneous Equipment					10,000	8,000	17,000	
Contract Hauling					10,000	10,000	15,000	
Water, Fuel					20,000	20,000	36,000	
Miscellaneous Incidentals					10,000	8,000	8,000	
Directional services & tools					45,000	45,000	45000	
Total Intangibles					395,150	332,650	542,850	
Total Estimated Cost - 100%					604,240	332,650	751,940	
Total Estimate OXY - 100%								