### 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

Distrct 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 EXHAMINED CATANACH
OIL CONDERDATION DIVISION

OXY LIGHBET NO. 2

CASE NO. 10700

		THEOUT OF	
Prior Estimate	Materials 260,150	Incidentals 495,350	<b>Total</b> 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 Increase (Decrease) in C.I. Estimate	(246,950) (227,720)	(147,600) (136,107)	(394,550) (363,827)

1	Proj	ect	Conc	urre	nce			Tulsa
Prod.	Exploit.	Explor.	Enginr.	Land	Acctg.	Div.FP&A	V.P.	Op. Con.
AUTHORI	ZATION:		<u> </u>					FAA Mgr.
				·	· · · · · · · · · · · · · · · · · · ·	//	/	<u> </u>
VP					-	/	/	
EVP						_ / /	/	

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

ested by: J. Carroll

CITIES SERVICE OIL AND GAS CORPORATION	repared	by:	٥.	Ŀ.	Gengler
DETAILED WELL ESTIMATE					<b>P(7</b> )

Simpson A #2 & 2Y

\_ DATE \_\_4/18/90

LEASE . WELL NO. \_

LOCATION 1980' FSL & FEL PROP.DEPTH 11810'

S 29 T21-S R 27-E COUNTY Eddy STATE NM AFE NO.

DESCRIPTION	GRADE	SIZE	QUAN.	w	PRODUCER	ESTIMATE DRY HULE	REVISED ESTIMATE	ACTUAL COST
TANGIBLES							Dry Hole	
Casing								
Surface 13-3/8" 48# H-40 ST&C			6001		13,200	13,200	13,200	
8-5/8" 24# K-55 ST&C			24001		28,800			
8-5/8" 32# K-55 ST&C			600'		8,500			
5-1/2" 17# N-80 LT&C			10480'		104,800			
5-1/2" 20# N-80 LT&C			1330'		15,950			
	ļ							
Well head connections	A.		110001		10.000			
Tubing 2-3/8" 4.7# N-80 EUE 8rd Sucker rods	A		11800'		43,400		<del> </del>	<del></del>
Bottom hole pump	<del> </del>		<del> </del>				<del> </del>	
Engine or motor	<del> </del>						<del> </del>	
Pumping unit	<del> </del>		<del> </del>		<del> </del>		<del> </del>	
Electrical equip-incl. Labor & Trans.	<del> </del>				<del></del>		<del> </del>	
Line pipe, fittings incl. Labor & Trans.	A				5,000			
Packer & Accessories	A				4,000			
TACKET & ACCESSOTIES					4,000			
TANK BATTERY								
Stock tanks	A	300	2		7,000			
Separator, heater treater, dehydrator	A				12,000			
Meter run and housing	ļ				2,500			
Labor & transportation	<u> </u>				5,000			
Total Tangibles	<b> </b>	<u> </u>			260,150	50,500	13,200	
(MTANCIBLES	<del> </del>							<del></del>
INTANGIBLES  Contract drilling labor 11810' @ \$15/foot	<del> </del>				177 150	177 150	166 000	
Rotary day work 6 days @ \$4000/day	<del> </del>				24,000	177,150 24,000		
Service rig work 12 days @ \$1100/day	╅───		-		13,200		24.000	
Subsurface casing equipment	<del> </del>				2,500		1,600	
D. S. T., electric, radioactivity logs, etc.	1			-	50,000			
Acidizing, fracing					45,000	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	30.000	
Perforating	1				6,000	· · · · · · · · · · · · · · · · · · ·		
Misc. company and contract labor	1				12,000	10,000	10,000	<del> </del>
Road building, location					25,000	25,000		
Cement and cementing service					25,000	19,000	12,000	
Cement squeeze jobs	<u> </u>							
Drilling mud, chemicals	<del> </del>				30,000		<del></del>	
Diamond coring & analyses, bits, reamers	<b></b> -				18,000			
Mud logging unit 30 days @ \$350/day	<del> </del>	<b> </b>		<del></del>	10,500			<del> </del>
Rental of miscellaneous equip.	<del> </del> -	<u> </u>	<del>                                     </del>		20,000			
Contract hauling	<del> </del>	<del> </del>	<del>  </del>		10,000			
Water, fuel Miscellaneous incidentals	<del> </del>	<del> </del> -	<del> </del>		12,000		<del></del>	
Total Intangibles	<del> </del>				495,350	403, 150	5,000 347,750	
total Intangibles	<del> </del>	<del> </del>	<del> </del>		7,5,550	,00,100	247.720	
	1	<del>                                     </del>				<del></del>		
	1							
	ļ		<b></b> _		TEE ENA	ALES CEN	250 050	
Total estimated cost - 100% -	1	<u></u>			755,500	453,650	000,930	

## SUPPLEMENTAL 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

Distrct 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.

Prior Estimate	Materials 209,090	Labor & Incidentals 395,150	<b>Total</b> 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 Increase (Decrease) in C.I. Estimate	0	147,700 136,199	147,700 136,199
		130,199	
Project Concurred Prod. Exploit. Explor. Engine. Land		iv.FP&A V.P.	Op. Con.
AUTHORIZATION:			FAA Mgr.

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

ested By: Bob Doty

UAT USA INC.	i icpaice of	<b>0</b> 00   101
ETAILED WELL ESTIMATE		

LEASE - WE	ELL NO. Simpson A #2Z	DATE 10/22/90	
LOCATION	1980' FSL & 1980' FEL	DEPTH 12100'	
S 29 T	21S R 27E COUNTY Eddy STATE N	New Mexico AFE NO.	

	Τ	T	T	I	ESTIMATE	ESTIMATE	REVISED	ACTUAL
DESCRIPTION	GRADE	SIZE	QUAN	w	PRODUCER	l .	1	COST
TANGIBLES			<u> </u>	<del></del>				3001
Casing		<del> </del>						
Surface 5-1/2" 17# N80 LT&C	A	<del>                                     </del>	10500	_	105,000		105,000	
5-1/2" 20# N80 LT&C	A		1600	-	19,184		19,184	
3-1/2 20# NOO E1QO	<del>  ^</del>	<del> </del>	1000	-	13,104		15,104	<del></del>
Wellhead Connections	A	<del> </del>		-	5,000		5,000	
Tubing 2-3/8" 4.7# N80 EUE 8rd	A	<del> </del>	12100	_	44,406		44,406	
Sucker Rods	<u> </u>	<del>                                     </del>	12100		44,400		44,400	
Bottom Hole Pump	<del> </del>	<del>                                     </del>			<del></del>			
Engine or Motor	<del> </del>	<del> </del>	<u> </u>		<u> </u>			
Pumping Unit	<del> </del>	<del></del>	<del></del>	-				
Electrical Equipment	<del> </del>	<del>                                     </del>						
Line Pipe & Fittings	A				5,000		5,000	
Packer & Accessories	Â	<del> </del>			4,000		4,000	
racker & Accessories	<del>  ^ </del>	<del> </del> -			4,000		4,000	
TANK BATTERY	<del> </del>	<del> </del>						
Stock Tanks	A	300	2		7,000		7,000	
Separator, heater treater, dehydrator	Ā	300	-		12,000		12,000	
Meter run and housing	1^	<del> </del>			2,500	·	2,500	
Labor & transportation					5,000		5000	
Labor & transportation					5,000		5000	
Total Tangibles	<del> </del>	ļ			209,090		209,090	
- Otal Taligiolog		<del> </del>			200,000		200,000	
INTANGIBLES		<u> </u>						
Contract Drilling Labor		1						
Rotary Day Work 25 days @ \$4500/day	·	1			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		1			45,000		50,000	
Perforating					6,000		10,000	
Misc. Company & Contract Labor		1			12,000	10,000	13,000	
Road Building, Location	<u> </u>	<b>†</b>			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	<del></del>
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%		1	1		l			