

PROSPECT: Potash #3100013
WELL NAME: Superior Federal No. 9

CC #: 310001302101
AFE DATE: 10-11-90
DIVISION: MC
AFE NUMBER: MC-90D-136
STATE: NM

WELL LOCATION: Sec. 1 T20S, R29E COUNTY: Eddy
PURPOSE OF AFE: Drill and complete development Morrow well to 12000'.

	DRY HOLE COSTS	COMPLETION COSTS
2300-100 <u>INTANGIBLE DRILLING COSTS</u>		
101 Drilling Title Opinions	\$ 0	\$ 0
102 Surveying/Permits	1,000	1,000
103 Roads/Location/Dirt Work	15,000	20,000
104 Contract Drilling	198,000	214,000
105 Power/Fuel/Water	0	9,000
106 Drilling Mud/Chemicals	18,000	23,000
107 Bits/Reamers	0	2,000
108 Transportation	2,500	4,500
109 Equipment Rental	6,000	11,000
110 Labor	1,500	4,000
111 Cement/Cementing Svcs.	33,000	33,000
112 Geological/Engineering	12,000	15,000
113 Surface/Water Damages	1,000	1,000
114 Overhead	3,000	5,000
116 Logging/Testing/Coring	48,000	48,000
119 Plug/Abandon Costs	10,000	0
120 Other	30,000	35,000
SUBTOTAL - INTANGIBLE DRILLING COSTS	\$ 379,000	\$ 425,500
200 <u>INTANGIBLE COMPLETION COSTS</u>		
201 Completion Rig Time	\$	\$ 7,500
202 Perforating		10,000
203 Stimulation		15,000
205 Power/Fuel/Water		2,000
207 Cased Hole Logging		5,000
208 Transportation		2,000
209 Equipment Rental		5,000
210 Labor		3,000
211 Cement/Cementing Svcs.		8,500
212 Geological/Engineering		1,500
214 Overhead		3,000
220 Contingencies/Other		5,000
SUBTOTAL - INTANGIBLE COMPLETION COSTS	\$	\$ 67,500
2400-100 <u>TANGIBLE DRILLING COSTS</u>		
101 Conductor Pipe 400' 20" @ 26/Ft.	\$ 10,400	\$ 10,400
102 Surface Casing 850' 13-3/8" @ 20/Ft.	17,000	17,000
103 Intermediate Casing 3100' 8-5/8" @ 10 Ft.	31,000	31,000
104 Casing Head	15,000	25,000
105 Guide Shoe/Centralizer, etc.	6,000	8,000
106 Other	4,000	4,600
SUBTOTAL - TANGIBLE DRILLING COSTS	\$ 83,400	\$ 96,000
200 <u>TANGIBLE COMPLETION COSTS</u>		
201 Production Casing 12000' 5-1/2" @ 8/Ft.	\$	\$ 96,000
202 Tubing 12000' 2-3/8" @ 2.50/Ft.		30,000
204 Rods/Subsurface Pump		0
205 Packers/Misc Downhole Equip.		10,000
206 Pumping Unit		0
207 Heater Treater		0
208 Separator		10,000
209 Tank Battery/Surface Equip.		10,000
210 Flowlines/Valves/Fittings		15,000
211 Other		16,000
SUBTOTAL - TANGIBLE COMPLETION COSTS	\$	\$ 187,000
USUAL WELL COSTS	\$ 462,400	\$ 776,000

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
Petco Corp COMPANY
EXHIBIT NO. 3
CASE NO. 10209
Petroleum Corp. of Delaware

WORKING INTEREST	NET COSTS	APPROVALS	DATE
Yates Drilling Company .04151627	\$309,596	<i>RK Rods</i>	
	\$ 32,217	<i>Rayon J...</i>	12-13-90