TXO PRODUCTION CORP
FORM 24 Rev 8 81

AUTHORITY FOR EXPENDITURE
DRILLING WELL

Date 12-19-84 A ___ Co. Cd.

District West Texas Well Name Delta Fee Well No. 1

Well Location 660' FS & EL, Sec 2, T-22-S, R-27-E Depth 11,800'

Field Carlsbad East (Wolfcamp/Morrow) County Eddy State NM

Prepared By: Mark Weideman Submitted By: _____ Dallas ___ District ___

CAT. NO.	NATURE OF EXPENDITURE	QUANTITY	ESTIMATED COST CASH	MAT.L ON HAND	TOTAL
	DRILLING				
01	Casing 450' 13 3/8" 2650' 8 5/8"		44 000		44 000
02	Casinghead		12 000		12 000
03	Location, Road & Dirt Work damages & stake		28 000		28 000
04	Drilling - Footage/Turnkey				
05	Drilling - Daywork 48 days @ $4400		211 200		211 200
06	Drilling - Rig Support MI & MORT		18 000		18 000
07	Bits 1-17½", 1-12¼", 8-7 7/8"		35 000		35 000
08	Supervision 50 days @ $250		12 500		12 500
09	Overhead				
10	Mud & Chemicals & water		55 000		55 000
11	Cementing Services & Supplies & csg crew		40 000		40 000
12	Testing & Logging & mud logger		28 000		28 000
13	Rentals reamers, shock subs		16 000		16 000
14	Other IDC fence & line pits, welder		5 000		5 000
15	Other Equipment		10 000		10 000
	TOTAL DRILLING		514 700		514 700
	COMPLETION				
17	Casing 4½" 11,800'		105 000		105 000
18	Tubing 2 3/8" N-80 11,800'		66 500		66 500
19	Wellhead		5 500		5 500
20	Subsurface Equipment		6 000		6 000
21	Supervision 8 days @ $250		2 000		2 000
22	Mud & Chemicals & KCL water		3 000		3 000
23	Testing, Logging & Perforating		10 000		10 000
24	Stimulation		12 000		12 000
25	Overhead				
26	Rentals BOP, test tank, drill collars, rev unit		10 000		10 000
27	Service Rig 8 days @ $1400		11 200		11 200
28	Cementing Services & Supplies & csg crew		18 000		18 000
29	Other IDC clean loc, anchors, welder		6 000		6 000
	TOTAL COMPLETION		255 200		255 200
	PRODUCTION EQUIPMENT				
32	Pumping Unit				
33	Engine & Motor				
34	Rods				
35	Flow Lines		1 500		1 500
36	Meters		6 000		6 000
37	Installation		1 000		1 000
38	Storage		12 000		12 000
39	Separation & Treating		15 000		15 000
40	Other Equipment		5 000		5 000
	TOTAL PRODUCTION EQUIPMENT		40 500		40 500
	TOTALS		810 400		810 400

WI OWNER NAME | BILLING INT (7 decimals) | DATE APPROVED | APPROVED: (this space for approval only)

By: _____

Title: _____

TXO PRODUCTION CORP.
Case No. 8699
9/11/85 Examiner Hearing
Exhibit No. 3

AFE No. _____ Property No.