

Foran Oil Company

Date: 1-27-86

Prospect Name: Northeast Lovington
County: Lea
State: New Mexico

Project: Drill and equip a
11800' Strawn test

		Dryhole	Comp	Total
Location & Damages		23050	1500	24550
Drilling Footage	11800' @ \$12/Ft.	141600		141600
Drilling Daywork	\$4200/Day	12600	4200	16800
Cementing & Services		10500	9000	19500
Drill Stem Test & Coring		5600		5600
Logging		18000		18000
Geological		7500		7500
Mud Materials		28000		28000
Trucking & Labor		1700	3500	5200
Supervision		14500	9700	24200
Bits & Rentals		11000	2500	13500
Fuel/Water			1000	1000
Combined Fixed Rate				0
Plugging & Abandonment				0
Well Surveys/Testing				0
Completion Unit			9500	9500
Centralizers & Float Equip				0
Perforating/Logging			3500	3500
Frac/Acid/Other			2500	2500
Contingency		30200	4690	34890
<hr/>				
Subtotal Intangibles		304250	51590	355840
<hr/>				
Casing Conductor				0
Casing Surface	360' 13 3/8 @ \$11.50/ft	4140		4140
Casing Inter	4400' 8 5/8 @ \$8.90/ft	39160		39160
Casing Liner				0
Casing Production	11800' 5 1/2 @ \$4.00/ft		47200	47200
Tubing	11000' 2 3/8 @ \$2.50/ft		27500	27500
Well Head		4500		4500
Other Sub-Surface Equipment				0
Tanks			5000	5000
Separators & Heaters			14500	14500
Flow Lines			2000	2000
Rods/Downhole			3000	3000
Pump Unit & Engine				0
Installation Costs		2500	8000	10500
Non-Controllable Equipment			3000	3000
<hr/>				
Subtotal Tangibles		50300	110200	160500
Subtotal Intangibles		304250	51590	355840
<hr/>				
Totals		354550	161790	516340

Prepared By:

Jem

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION

FORAN EXHIBIT NO. 3

CASE NO. 9071

Total well cost