

AUTHORIZATION FOR EXPENDITURE

WELL NAME AND NO. Renamed - RAMSES II Com #1 Date 1-29-88
Federal 22 Com #1
LOCATION NE/4NW/4 Section 22, T-26N, R-2W, NMPM Rio Arriba County, NM
298 - TANGIBLES

Code			
01	Surface Casing -	200 ft. of 9-5/8" OD @ \$11.50/ft.	\$ 2,300
02	Prod. Casing -	8200 ft. of 5 1/2" 15# & 17# @ \$5.75/ft.	47,150
	Casing -	ft. of	---
04	Tubing -	7800 ft. of 2-7/8", 6.5# @ \$2.25/ft.	17,550
	Tubing -	ft. of	---
06	Packer and Tubing Equipment		---
07	Wellhead Equipment		7,000
08	Valves & Fittings		2,500
09	Production Unit & Treaters		10,000
10	Tank Battery		12,500
11	Pumping Unit & Prime Mover		37,500
12	Rods, Bottom-hole Pump, Aux Equip.		12,500
13	Misc. Tangible Equipment		---
14	Well Hookup		---
15	Gas Lines and Installation		---
16	Pipeline Installation		3,000
	TOTAL TANGIBLES		\$152,000

299 - INTANGIBLES

Code		
30	Survey Archeologist	1,000
31	Location Damages	2,500
32	Road & Location Construction	5,000
33	Water & Gas Lines	---
40	Contract Drilling 8200 ft. @ \$ 12/ft. plus tax	98,400
41	Daywork 48 hrs. @ \$ 190/hr.	9,120
43	Drill Stem Test & Cores	---
44	Mud Logging	---
45	Open Hole Logging	7,000
46	Rental Tools	---
47	Casing Float Equip. & Centralizer	4,000
48	Trucking	2,000
49	Mud	45,000
50	Water - Drilling Oper.	15,000
51	Casing Crew & Power Tongs	---
52	Miscellaneous	1,000
53	Testing Tubular Goods	---
54	Tool & Equip. Repair	---
55	Company & Contract Labor, Roustabouts	5,000
56	Supplies	500
60	Cementing Surface Casing	2,000
61	Cementing Prod. Casing	17,000
70	Completion Rig	15,000
71	Perf. & Cased Hole Logging	3,500
72	Acidizing	---
73	Fracturing	35,000
74	Tank Rental	2,200
75	Trucking - Completion	4,000
76	Water - Completion	6,000
77	Rental Tools - Completion	1,500
78	Clean-up Location	1,500
79	Power Swivel, Pump & Pit Rental	2,000
80	Contract Serv. & Labor - Completion	7,000
90	Supervision - Administrative	4,000
91	Supervision - Legal	500
92	Supervision - Field	7,500

TOTAL INTANGIBLES	\$304,220
±5 % Contingency	22,780

TOTAL WELL COST	\$479,000
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APPROVALS

Dugan Production Corp. By: Jim L. Gault Date 1-29-88

Joint Interest Owner _____ By: _____ Date _____

NMOCD CASE NO. 9327

March 16, 1988

Dugan Production Corp.

Exhibit No. 13