

AFE COST ESTIMATE
 NO. 2 MOBY
 NE/4 NW/4 Section 7-T20S-R38E Lea County, New Mexico

ITEM	Tangible	Intangible	Total
<u>Cost to Drill 6100' Test</u>			
Roads, Location & Damages	\$	\$ 14,000	\$ 14,000
Footage Drilling 6100' @ \$14.00/ft.		85,400	85,400
Daywork Operations 1 Day @ \$4200/day		4,200	4,200
Mud & Water		16,000	16,000
Surface Casing 1500' 8 5/8" @ \$10.50/ft.	15,800		15,800
Cement & Service 8 5/8" Casing		9,000	9,000
Logging Service		18,000	18,000
Rental Tools & Equipment		3,000	3,000
Wellhead & Connections	3,000		3,000
Supervision & Expenses		5,000	5,000
Transportation & Misc. Labor		4,000	4,000
Contingencies		24,600	24,600
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COST TO CASING POINT	\$ 18,800	\$183,200	\$202,000
<u>Completion Cost</u>			
Production Casing 6100' 5 1/2" @ \$6.00/ft.	36,600		36,600
Cement & Service 5 1/2" Casing		8,000	8,000
Well Service Unit 10 Days @ \$1200/day		12,000	12,000
Perforating Service		6,000	6,000
Tubing 6100' 2 3/8" @ \$2.25/ft.	13,700		13,700
Rental Tools & Equipment		6,000	6,000
Acid Treatment		7,000	7,000
Fracture Treatment		20,000	20,000
Wellhead & Connections	6,000		6,000
Pumping Unit	45,000		45,000
Rods & Pumping Equipment	15,000		15,000
Battery Facilities	15,000		15,000
Supervision & Expenses		5,000	5,000
Transportation & Misc. Labor		10,000	10,000
Contingencies		12,700	12,700
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COMPLETION COST	\$131,300	\$ 86,700	\$218,000
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TOTAL AFE COST	\$150,100	\$269,900	\$420,000

APPROVAL: _____

By: _____

Date: _____

BEFORE ESTABLISHMENT OF OIL CONCENTRATION ZONES <i>ANTHONY</i> 4 CASE NO. <u>8300</u> Submitted by <u>WILLIAMS</u> Hearing Date <u>8-8-84</u>
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