

AUTHORITY FOR EXPENDITURE (APE) COST ESTIMATE

DeLoze Erwin Inc. Stogner
OPERATION DIVISION

<u>Type Project (check 1 only)</u>		
<input type="checkbox"/> Exploratory	<input type="checkbox"/> Injection	<input type="checkbox"/> Water Supply
<input type="checkbox"/> Development	<input type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Depth <u>14,700'</u> Devonian

Form B-1	<input type="checkbox"/> Add	<input type="checkbox"/> Change	<input type="checkbox"/> Delete
APE Number _____			
Property/Well Name <u>Erwin No. 1</u> (East Morton Field)			
Project Description <u>Drill</u>			
Net Working Interest <u>.-----</u>			

Group Code _____
Location Code _____
Department Number _____
County <u>Lea</u> St. <u>N.M.</u>
Operator <u>MFC</u>

Estimated Date Project Will Be Completed _____ (Mo./Yr.)
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DRILLING COSTS

INTANGIBLE

	<u>Amount</u>
10 Dry Hole Abandonment	_____
11 Rig Mobilization and Demobilization	_____
12 Power and Fuel	_____
13 Water	_____
14 Solids Control Equipment Rental	_____
*15 Directional Equipment and Services	_____
16 Fishing Tools and Services	_____
17 Subsurface Casing Equipment	_____
18 Contract Labor and Services	_____
19 Supervision - Company and/or Contract	_____
50 Road and Site Preparation	_____
51 Footage Contract Fee	_____
52 Daywork Contract Fee	_____
53 Mud and Chemicals	_____
54 Bits and Reamers	_____
55 Drilling Tool and Equipment Rental	_____
56 Cement and Cement Services	_____
*57 Open Hole Logging-Testing	_____
*58 Drill Stem Testing	_____
59 Coring and Analysis	_____
60 Transportation	_____
61 Air/Marine Transportation	_____
63 Overhead	_____
64 Insurance	_____
65 Company Labor and Services	_____
*66 Prospect Generation	_____
67 Miscellaneous Services and Contingency	_____
TOTAL INTANGIBLE COSTS	570,000

TANGIBLE

21 Casing-Drive Pipe & Conductor <u>16" - 60'</u>	_____
40 Casing - Surface <u>13-38" - 400'</u>	_____
41 Casing - Intermediate <u>8-5/8" - 6000'</u>	_____
42 Casinghead Equipment (Including Valves)	_____
43 Casing Spool (Including Valves)	_____
44 Miscellaneous Equipment	_____
TOTAL TANGIBLE COSTS	100,000

TOTAL DRILLING (DRY HOLE) COSTS

670,000

* Invalid for disposal and water supply wells.

MEDC 252-02

Prepared By: _____

CSA:ff

Rev. 4/29/85 ,

Date Prepared: _____

6-17-87