



AUTHORITY FOR EXPENDITURE
NEW DRILLING & RECOMPLETION

AFE NO. 92-087-0
AFE DATE 8/20/93

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

AFE Type:	Well Objective:	Well Type:
<input checked="" type="checkbox"/> New Drilling	<input checked="" type="checkbox"/> Oil	<input checked="" type="checkbox"/> Development
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Gas	<input type="checkbox"/> Exploratory
	<input type="checkbox"/> Injector	

AFE STATUS:

<input type="checkbox"/>	Original
<input checked="" type="checkbox"/>	Revised
<input type="checkbox"/>	Final

LEASE NAME	Childress 'AKV' #1	PROJ'D DEPTH	10,200'
COUNTY	Lea	STATE	New Mexico
LEGAL DESC.	990' FSL & 330'FWL	LOCATION	Section 1-14S-33E
FIELD		HORIZON	Bough

DIVISION CODE	100	DIVISION NAME	Oil & Gas Division
DISTRICT CODE		DISTRICT NAME	
BRANCH CODE		BRANCH NAME	

PROGNOSIS:

INTANGIBLE DRILLING COSTS:		DRY HOLE	COMP'D WELL
920-100	Staking, Permit & Legal Fees	300	300
920-110	Location, Right-of-Way	16,800	16,800
920-120	Drilling, Footage 10,200' @ \$19.50/ft.	234,000	234,000
920-130	Drilling, Daywork 5 days @ \$4500/day	22,500	22,500
920-140	Drilling Water, Fasline Rental	18,500	18,500
920-150	Drilling Mud & Additives	12,500	12,500
920-160	Mud Logging Unit, Sample Bags	9,200	9,200
920-170	Cementing - Surface Casing	32,500	32,500
920-180	Drill Stem Testing, OHT 1 DST	5,000	5,000
920-190	Electric Logs & Tape Copies	21,700	21,700
920-200	Tools & Equip. Rntl., Trkg. & Welding	20,000	20,000
920-210	Supervision & Overhead	23,500	23,500
920-220	Contingency		
920-230	Coring, Tools & Service		
920-240	Bits, Tool & Supplies Purchase		200
920-350	Cementing - Production Casing		20,000
920-410	Completion Unit - Swabbing		10,000
920-420	Water for Completion		3,800
920-430	Mud & Additives for Completion		
920-440	Cementing - Completion		
920-450	Elec. Logs, Testing, Etc. - Completion		8,700
920-460	Tools & Equip. Rental, Etc. - Completion		12,100
920-470	Stimulation for Completion		15,300
920-480	Supervision & O/H - Completion		9,300
920-490	Additional LOC Charges - Completion		300
920-510	Bits, Tools & Supplies - Completion		900
920-500	Contingency for Completion		
TOTAL INTANGIBLE DRILLING COSTS		416,500	497,100

TANGIBLE EQUIPMENT COSTS:			
930-010	Christmas Tree & Wellhead	2,200	15,000
930-020	Casing 13-3/8" @ 450'	8,000	8,000
	9-5/8" @ 4200'	50,400	50,400
	7" @ 10,200'		102,000
930-030	Tubing 2-7/8" @ 10,000'		30,000
930-040	Packer & Special Equipment		
940-010	Pumping Equipment		90,000
940-020	Storage Facilities		5,000
940-030	Separation Equip., Flowlines, Misc.		6,700
940-040	Trucking & Construction Costs		15,000
TOTAL TANGIBLE EQUIPMENT COSTS		60,600	322,100

TOTAL COSTS	477,100	819,200
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APPROVAL OF THIS AFE BY _____ BEFORE THE JOINT ACCOUNT WITH TUBULAR GOODS STATED ABOVE.

OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Prepared By			SHARE
	Case No. 10841	Exhibit No. 7	
BY	Submitted by: Yates Petroleum Corporation		
BY	Hearing Date: October 7, 1993		
BY	DATE		