



SANTA FE ENERGY RESOURCES, INC.
GENERALIZED WELL COSTS ESTIMATE

WELL NAME Tomcat Federal Unit No.1
LOCATION 1980' FNL & 1980' FWL, Sec. 21-23S-32E, Lea Co., N.M.
DESCRIPTION Drill and Complete A 15,950' Morrow Gas Well

ACCOUNT	DESCRIPTION OF COSTS		DRY HOLE	PRODUCER
501- 000	TANGIBLE WELL COSTS			
501- 041	Conductor Csg		4,000	4,000
501- 041	Surface Csg	13-3/8" 48.0 ppf H-40 ST&C @ 600'	10,800	10,800
501- 041	Protection Csg	9-5/8" 40.0 ppf K-55 ST&C @ 4,500'	76,500	76,500
501- 041	Intermediate Csg	7" 26.0 ppf S-95 & P-110 LT&C @ 12,000'	192,000	192,000
501- 041	Prod Csg			
501- 041	Prod Liner	4-1/2" 13.50 ppf S-95 LT&C 11,700'-15,950'		38,250
501- 042	Tubing	2-3/8" 4.7 ppf P-105 AB-Mod EUE @ 15,950'		80,000
501- 043	Wellhead		5,000	40,000
501- 044	Pmpg Unit			
501- 045	Prime Mover			
501- 050	Other Dwn Hole Equip	Liner Top Packer & Hanger		15,000
501- 050	Rods			
501- 050	Subsurface Pmps		4,000	6,000
501- 055	Csg Equip			
501- 055	Electrical			
501- 055	Misc. Tangibles			
501- 055	Rod Equip			
501- 055	Tubing Equip			3,000
	TOTAL TANGIBLE COSTS		292,300	465,550
541- 000	LEASE FACILITY COSTS			
541- 050	Flowlines			4,000
541- 050	Labor			8,000
541- 050	Other Prod Equip	Separator, GPU & Dehyd Unit		30,000
541- 050	Tank Facilities			19,000
	TOTAL LEASE FACILITY COSTS		-	61,000
511- 000	INTANGIBLE WELL COSTS			
511- 021	Location	Dirt Work & Damages Payment	30,000	30,000
511- 022	Fencing		2,000	4,000
511- 026	Drilling Water		50,000	50,000
511- 031	Contractor Moving Exp		30,000	30,000
511- 032	Cont Footage or Turnkey			
511- 032	Contractor Daywork	30 + 45 days @ \$5400/5800 /day	423,000	423,000
511- 033	Drig Fluid & Additives		70,000	70,000
511- 034	Bits & Reamers		75,000	75,000
511- 036	Coring & Core Analyses	Rotary Sidewall Cores (35)	15,000	15,000
511- 037	Cement		70,000	100,000
511- 039	Inspection & Tstg of Tang		12,000	20,000
511- 041	Directional Drig Surveys			
511- 042	Drilling Equip Rental		50,000	50,000
511- 043	Open Hole Logging	CNL/LDT/DLL/or ARRAY INDUCTION (3 Runs)	65,000	65,000
511- 044	Drill Stem Tstg	Two Tests	15,000	15,000
511- 045	Mud Logging	\$400/d X 60 days	24,000	24,000
511- 051	Transportation		15,000	25,000
511- 052	Completion Unit	10 days X \$1500/day		15,000
511- 053	Completion Tool Rental			15,000
511- 054	Cased Hole Logs & Perfing			12,000
511- 055	Stimulation			30,000
511- 056	Rigsite Supervision	75 + 10 X \$400/day	30,000	34,000
511- 072	Administrative Overhead		10,000	15,000
511- 099	Fishing Tools & Exp			
511- 099	Testing: BHP, GOR, 4 Pt Pot			8,143
	Abandonment Cost		11,810	
	Other Intangibles			
0.05	Contingency (5%)	CASE NO. <u>11460</u>	49,890	56,307
	TOTAL INTANGIBLES		1,047,700	1,182,450
	TOTAL COSTS		1,340,000	1,709,000

OPERATION DEPT APPROVAL (Initials) APPROVAL DATE: <u>ORC 11/7/96</u>	SFER APPROVAL APPROVAL DATE: <u>[Signature] 11/7/96</u>
ENGINEERING DEPT APPROVAL (Initials) APPROVAL DATE: <u>[Signature] 11/7/96</u>	NON-OPERATOR APPROVAL APPROVAL DATE: _____