

RICHMOND PETROLEUM INC.

Authority For Expenditure (AFE) Cost Estimate

Lease 32-6-9	Well No. 1	Field Basin
Location NENE Sec 9, T32N, R6W	County San Juan	State New Mexico
Formation Fruitland	Est. Total Depth 2780'	

	PRODUCING WELL		DRY HOLE
	Sub.	Total	
TUBULAR GOODS			
Surface Casing - <u>240</u> Ft. <u>9 5/8</u> Inch @ <u>14.00</u> \$/Ft.	\$ 3,360		\$ 3,360
Int. Casing - <u>2520</u> Ft. <u>7</u> Inch @ <u>6.50</u> \$/Ft.	16,380		16,380
Prod. Casing - _____ Ft. _____ Inch @ _____ \$/Ft.			
Liner <u>350</u> Ft. <u>5 1/2</u> Inch @ <u>8.00</u> \$/Ft.	2,800		
_____ Ft. _____ Inch @ _____ \$/Ft.			
Tubing - <u>2760</u> Ft. <u>2 7/8</u> Inch @ <u>2.00</u> \$/Ft.	5,520		
_____ Ft. _____ Inch @ _____ \$/Ft.			
		\$ 28,060	
WELL HEAD EQUIPMENT:			
<u>3000# Flanged</u>	12,000		
<u>Surface Equipment</u>	108,000	120,000	
OTHER EQUIPMENT:			
Liner Hangers and Production Packers	6,000		
<u>Machine Liner</u>	7,500	13,500	
CONTRACT COSTS:			
Footage - <u>2520</u> Ft. <u>11.25</u> \$/Ft.	28,350		28,350
Daywork - <u>14</u> Day <u>4,000</u> \$/Day	56,000		56,000
Daywork - <u>4</u> Day <u>4,000</u> \$/Day	16,000		
Daywork - _____ Day _____ \$/Day		100,350	
CEMENTING: (Cement and Pump Trucks)			
Surface - _____	2,000		2,000
Intermediate - _____	4,500		4,500
Production - _____			
Liner - _____			
Liner - _____			
Sq. Job - _____		6,500	
FORMATION TREATMENT:			
Acidizing - _____			
Fracturing Equipment - _____			
Fluid - _____ Gal. Oil			
_____ Gal. Water			
Sand - _____ Lbs.			
Tank Rental - _____			
SPECIAL SERVICES: (Surveys and Tests)			
Perforating - _____	1,500		1,500
Mud Logging - _____			
Electric and Radioactive Logging _____			
Drill Stem Tests - _____			
Cores - _____		1,500	
MATERIALS:			
Drilling Mud and Chemicals			
Drilling Gas or Air	14,000		14,000
Water	2,000		2,000
Blts	2,000		2,000
Fuel	10,000		10,000
Cement Equipment (shoes, collars, etc.)	2,000		2,000
Bridge Plugs and Retainers			
Equipment Rental	10,000	50,000	10,000
Miscellaneous (welding, hauling, rental of tongs, etc.)	10,000		10,000
ACCESS AND LOCATION:	15,000	15,000	15,000
Total Direct Cost	334,910		177,090
Plus <u>15</u> % Contingency	50,240		26,570
ESTIMATED TOTAL COST	\$385,150	\$	\$203,660
WORKING INTEREST:			
Others _____	<u>100%</u>		
	ESTIMATED COSTS ONLY - Each participating owner to pay proportionate share of actual well cost subject to operating agreement.		

RICHMOND PETROLEUM INC. APPROVAL

Prepared By: DED Date: 8/28/89 Recommended: JLA Date: 8/30/89 Recommended: _____ Date: _____

Approved: James A. Adams Date: 8/30/89 Title: EVP

PARTNER APPROVAL

Company Name: _____

Authorized By: _____ Date: _____

Title: _____

BEFORE EXAMINER

Oil Conservation Division

Consol Exhibit No. 6

Case No. 10955-56-57