

**AUTHORITY FOR EXPENDITURE
WORKOVER — EXPENSE & RESERVE
TXO AND OUTSIDE-OPERATED**

Date 8-22-89

DISTRICT West Texas WELL NAME Yates Federal WELL NO. #2
OPERATED BY TXO Production Corp. LOCATION Burton Flat DEPTH 3400'
FIELD _____ COUNTY Eddy STATE New Mexico
PURPOSE/EXPECTED RESULTS _____

WORK TO BEGIN ASAP ESTIMATED COMPLETION DATE _____
PREPARED BY Cecil Pearce SUBMITTED BY _____

EXPENDITURE DESCRIPTION	QUANTITY	DESCRIPTION	EST. COST
EQUIPMENT			
Production Casing		Float Equip., Centralizers, Testing	3000
Tubing			
Wellhead Equipment			500
Pumping Unit/Submersible Pump		114 D Pumping Unit	15,000
Engine & Motor		Electric WI panel	2000
Rods	3300'	3/4" EL Rods	3500
Subsurface Equipment		TAC	800
Flow Lines			
Installation			3000
Storage			6000
Separation & Treating		Heater-Treater	3000
Other Equipment		Misc.	3000
TOTAL EQUIPMENT			39,800
SERVICES & SUPPLIES			
Supervision	10 days		2500
Mud & Chemicals & Water			2000
Cementing Services & Supplies			8000
Testing Logging & Perforating			10,000
Stimulation		Acid & Frac	25,000
Service Rig	10 days		15,000
Rentals		Csg Tools, Fract, Light Plant	4000
Location Work			1000
Overhead			
Other		Misc.	4000
Legal			
Non-Operated Intangible Costs			
TOTAL SERVICES & SUPPLIES			71,500
TOTAL			111,300

OWNER'S NAME AND ADDRESS
(New Addresses Only)

BILLING
INTEREST
(7 Decimals)

DATE
APPROVED

APPROVED: (this space for approval only)

WELL PLAN