

J. C. BARNES OIL COMPANY

P. O. BOX 505
MIDLAND, TEXAS 79701

AFE NUMBER _____

Date November 28, 1978

- ☐ Wildcat
☒ Drilling
☐ Completion
- ☒ Development
☒ Development
☐ Completion
☐ Drill Deeper
☐ Workover

Lease Name Big Chief Well No. 3 Well Location 1980' FSL, 1980' FEL
Sec. 21, T-22-S, R-28-E

County Eddy State New Mexico Proposed Depth 12,750'

Spud Date December 20, 1978 Estimated Days To Drill 60 To Complete 30

INTANGIBLE WELL COST

Access, Location & Roads	Pits, etc.	\$ 12,500.00
Rig Move		2,000.00
Footage Cost		
Day Work Cost	\$4,000/day	240,000.00
Bits & Reamers		35,000.00
Fuel		7,000.00
Water		15,000.00
Mud & Chemicals		75,000.00
Cementing & Services		32,000.00
Coring		
Surveying & Testing	Electric Logging	12,000.00
Mud Logging	30 days @ \$200/day	6,000.00
Perforating		8,000.00
Stimulation		5,000.00
Transportation		7,500.00
Drilling Overhead Cost		9,000.00
Other Drilling Expense		20,000.00
Contingencies (10% of Intangible Well Cost)		48,600.00
		\$534,600.00
Total Intangible Well Cost		

TANGIBLE WELL COSTS

<u>40</u>	' of <u>20</u>	" Conductor Casing	674.00
<u>400</u>	' of <u>13 3/8</u>	" Surface Casing	7,264.00
<u>2,700</u>	' of <u>10 3/4</u>	" Intermediate Casing	35,208.00
<u>9,750</u>	' of <u>7 5/8</u>	" Intermediate Casing	130,000.00
<u>12,750</u>	' of <u>5 1/2</u>	" Production Casing	111,262.00
	' of	" Tie-back Casing	
<u>12,700</u>	' of <u>2 3/8</u>	" Tubing	42,000.00
	' of	" Tubing	
Liner Equipment			
Wellhead Equipment		16,500.00	
Producing Facilities, Tank Batteries, Flowlines		20,000.00	
Packers & Other Subsurface Tools		7,000.00	
Contingencies (10% of Tangible Well Costs)		36,990.00	
			\$406,898.00
Total Tangible Well Costs			
TOTAL WELL COST			\$941,498.00

Estimated Dry Hole Cost 453,000.00

APPROVED: _____
BY _____
COMPANY _____
DATE _____

APPROVED: _____
J. C. BARNES OIL COMPANY
BY Russell J. Ramsland by ps
DATE November 28, 1978