J.W.MULLOY ASSOCIATES, INC. Engineering & Consulting 508 West Wall #100 Midland, Texas 79701 Phone: (432) 687-0323 Fax: (432) 686-7224

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	: Matrix New Mexico Operating Company, LLC : NE/4SE/4 Sec 10 T13S R38E Bronco (Wolfcamp)		Well Nam County: Formatio		Townsend #3 Lea Wolfcamp	5		Date: State: Depth:	12/14/2004 New Mexico 9,800
a .	•				-			•	
Code	DRILLING Survey, Build Site, Road & Surface Damages		<u>Time in d</u>	lays:	28		Tangible	Intangible	Total Cos
D1 D5	Survey, Bund Sile, Road & Surface Damages Surface Casing	13 3/8	8 ", 450	'@	\$27.00	per foot	\$12,150	\$25,000	\$25,000
DS D6	Cement, Accessories & Service	15 5/6	5, 430	(49	\$27.00	per toot	\$12,150	\$10,000	\$12,150 \$10,000
D0 D7	Protective Casing	8 5/8	3 ", 4,500	'a	\$20.00	per foot	\$90,000	\$10,000	\$10,000
D8	Cement Acessories & Service	0 5/0	, 1,000	(Ly	\$20.00	per root	\$90,000	\$20,000	\$90,000
D13	Casing Heads, Valves & Fittings						\$5,500	\$20,000	\$5,500
)) 14	Mud, Water, Oil & Chemicals						45,500	\$40,000	\$40,000 \$40,000
015	Mud, Watch, on de Chenneaus Mud Hydrocarbon Logging	10	days	a	\$750.00	per day		\$7,500	\$7,500
017	Electrical Logging				0,00.00	per auj		\$15,000	\$15,000
D18	Daywork On Contract	3	days	a	\$7,200.00	per day		\$21,600	\$21,600
D19	Footage On Contract	9800	feet		\$25.00	per foot		\$245,000	\$245,000
023	Special Tools, Bits & Rentals							\$15,000	\$15,000
)24	Supervision, Engineering	30	days	a	\$750.00	per day		\$22,500	\$22,500
025	Supervision, Geological	10	days		\$750.00	per day		\$7,500	\$7,500
026	Drilling Overhead	1	month		\$5,000.00	per mo		\$5,000	\$5,000
27	Misc. Services, Supplies & Labor @ 10%			.,		•	\$11,000	\$43,500	\$54,500
	Total Drilling Costs						\$118,650	\$477,600	\$596,250
	ABANDONMENT Cost To Abandon								\$20,000
	Total Dry Hole Costs					<u> </u>	<u></u>	\$477,600	\$616,250
	COMBLETION		Time in de		10				
21	COMPLETION Production Casing/Liner	51/2	<u>Time in da</u> ", 9,800	<u>ays:</u> '@	<u>10</u> \$12.50	per foot	\$122,500		\$122,500
C2	Cement, Accessories & Service w/Hanger	5 112	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(66)	\$12.50	per loor	\$122,500	\$20,000	\$20,000
23	Casing Heads, Valves & Fittings						\$5,000	420,000	\$5,000
C4	Packers, Accessories & Service						45,000	\$3,000	\$3,000
C 5	Production Tubing	2 3/8	" 9,800	'a	\$4.20	per foot	\$41,160	40,000	\$41,160
C6	Perforating Service & Logs	2 2/0	,,	62	01.20	per root	Ψ/1,100	\$3,500	\$3,500
C7	Treating Services & Supplies							\$12,500	\$12,500
C8	Well Servicing Rig	10	days	a	\$2,500.00	per day		\$25,000	\$25,000
C9	Artificial Lift Facilities w/rods, pump & accessorie				,	p		\$75,000	\$75,000
10	Supervision, Engineering	12	days	a	\$750 .00	per day		\$9,000	\$9,000
211	Special Tools, Bits & Rentals		,	¢9		P,		\$5,000	\$5,000
12	Misc. Services, Supplies & Labor @ 10%						\$17,000	\$15,300	\$32,300
	Total Completion Cost						\$185,660	\$168,300	\$353,960
					_				
1	LEASE FACILITIES Build Site & Road		Time In Da	iys:	5_	·····	. <u></u>	\$2,000	\$2,000
-2	Tanks & Accessories						\$15,000	42,000	\$15,000
	Heaters, Treaters & Accessories						\$5,000		\$15,000
	Line Pipe, Flow & Other						\$3,000 \$2,500		\$2,500
	Valves & Fittings						\$10,000		\$10,000
	Supervision, Engineering	4	days	(a)	\$750.00	per day	÷:0,000	\$3,000	\$3,000
	Misc. Services, Supplies & Labor			~7		,	\$3,000	\$4,000	\$7,000
-	Total Lease Facilities Cost					=	\$35,500	\$9,000	\$44,500
	SUMMADV OF COST								
	SUMMARY OF COST Drilling Cost						\$118,650	\$477,600	\$596,250
	Completion Cost						\$185,660	\$168,300	\$353,960
	Total					=	\$304,310	\$645,900	\$950,210
	Lease Facilities Cost						\$35,500	\$9,000 \$9,000	\$930,210
	GRAND TOTAL COST					=	\$339,810	<u> </u>	\$994,710
••			Approv	al:					
npany		<u>.</u>			(This Al	FE is an e	stimate only	-Invoicing will b	e on actual c
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me/Title:	Date					С	Sai ase No.'s 134	nta Fe, New Mexi 419 & 13420	ico Exhibit]

Santa Fe, New Mexico Case No.'s 13419 & 13420 Exhibit No. 4 Submitted by: <u>Matrix New Mexico Holdings, L.L.C.</u> Hearing Date: February 17, 2005

J.W.MULLOY ASSOCIATES, INC. Engineering & Consulting 508 West Wall #100 Midland, Texas 79701 Phone: (915) 687-0323 Fax: (915) 686-7224

Location: Field:	: Matrix New Mexico Operating Company, LLC SE/4NE/4 Sec 10 T13S R38E Bronco (Wolfcamp)	Well Name: County: Formation:			Townsend #2 Lea Wolfcamp		Date: State: Depth:		12/13/2004 New Mexico 9,806
								•	,
Code D1	DRILLING Survey, Build Site, Road & Surface Damages		Time in	uays:	28		Tangible	Intangible \$25,000	<u>Total Cos</u> \$25,000
D5	Survey, Bund Site, Road & Surface Damages	13 3/8	", 450	'a	\$27.00	per foot	\$12,150	\$25,000	\$23,000
D5 D6	Cement, Accessories & Service	15 510	, 450	(49	ψ27.00	per ioot	J12,150	\$10,000	\$12,190
D0 D7	Protective Casing	8 5/8	", 4,500	'@	\$20.00	per foot	\$90,000	\$10,000	\$90,000
D8	Cement Acessories & Service	0 5/0	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(69	\$20.00	per loot	\$90,000	\$20,000	\$20,000
D13	Casing Heads, Valves & Fittings						\$5,500	\$20,000	\$20,000
D13 D14	Mud, Water, Oil & Chemicals						\$3,300	\$40,000	\$40,000
D15	Mud Hydrocarbon Logging	10	days	@	\$750.00	per day		\$7,500	\$7,500
D13 D17	Electrical Logging		days	(49	\$750.00	per auy		\$15,000	\$15,000
D18	Daywork On Contract	3	days	a	\$7,200.00	per day		\$21,600	\$13,000 \$21,600
D19	Footage On Contract	9800	feet		\$25.00	per foot		\$245,000	\$245,000
D23	Special Tools, Bits & Rentals	2000	1001	. (49	\$25.00	per 1000		\$15,000	\$15,000
D24	Supervision, Engineering	30	days	@	\$750.00	per day		\$22,500	\$22,500
D25	Supervision, Geological	10	days	-	\$750.00	per day		\$7,500	\$7,500
	Drilling Overhead	1	month		\$5,000.00	рег шау		\$5,000	\$5,000
D27	Misc. Services, Supplies & Labor @ 10%	•		(**	\$5,000.00	per mo	\$11,000	\$43,500	\$54,500
	Total Drilling Costs					:	<u></u>	\$477,600	\$596,250
							3110,030	3477,000	3370,430
	ABANDONMENT								
-	Cost To Abandon								\$20,000
	Total Dry Hole Costs					<u> </u>		\$477,600	\$616,250
	COMPLETION		Time in d	avs:	10				
	Production Casing/Liner	5 1/2	, 9,800	'@	\$12.50	per foot	\$122,500		\$122,500
	Cement, Accessories & Service w/Hanger			.,		•	••••	\$20,000	\$20,000
	Casing Heads, Valves & Fittings						\$5,000	<i> </i>	\$5,000
	Packers, Accessories & Service							\$3,000	\$3,000
C5	Production Tubing	2 3/8 '	9,800	'@	\$4.20	per foot	\$41,160		\$41,160
C6	Perforating Service & Logs					-		\$3,500	\$3,500
C 7	Treating Services & Supplies							\$12,500	\$12,500
C8	Well Servicing Rig	10	days	@	\$2,500.00	per day		\$25,000	\$25,000
C9	Artificial Lift Facilities w/rods, pump & accessories							\$75,000	\$75,000
C10	Supervision, Engineering	12	days	@	\$750.00	per day		\$9,000	\$9,000
C11 (Special Tools, Bits & Rentals							\$5,000	\$5,000
C12	Misc. Services, Supplies & Labor @ 10%						\$17,000	\$15,300	\$32,300
_	Total Completion Cost						\$185,660	\$168,300	\$353,960
		-			_				
	LEASE FACILITIES		fime In Da	195:	5_		·····	\$2,000	\$2,000
	Tanks & Accessories						\$15,000	42,000	\$15,000
	Heaters, Treaters & Accessories						\$5,000		\$15,000
	Line Pipe, Flow & Other						\$2,500		\$3,000 \$2,500
	Valves & Fittings						\$10,000		\$10,000
	Supervision, Engineering	4	days	a	\$750.00	per day		\$3,000	\$3,000
	Misc. Services, Supplies & Labor		,5	22			\$3,000	\$4,000	\$7,000
_	Total Lease Facilities Cost					-	\$35,500	\$9,000	\$44,500
Γ									
	SUMMARY OF COST Drilling Cost						\$118,650	\$177 LOD	\$506 750
	Completion Cost						\$118,650	\$477,600 \$168,300	\$596,250
	Fotal					=		<u>\$168,300</u>	\$353,960
	Lease Facilities Cost						\$304,310	\$645,900	\$950,210
						=	\$35,500	\$9,000	\$44,500
(GRAND TOTAL COST						\$339,810	\$654,900	\$994,710

Company_____(This AFE is an estimate only-Invoicing will be on actual cost.)

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