

AUTHORITY FOR EXPENDITURE
ESTIMATED WELL COSTS

ENERGEN RESOURCES

AFE NUMBER SJ11-11		PROPERTY NUMBER 3121111A		DATE 4/6/2011	
WELL NAME AND NUMBER CARRACAS 8B #16			FIELD OR AREA Basin Fruitland Coal		
OPERATOR Energen Resources			COUNTY RIO ARRIBA		STATE NEW MEXICO
PROJECT DESCRIPTION AND LOCATION New Development Well			SECTION: 8	TOWNSHIP 32N	RANGE 4W
			PROPOSED FORMATION Fruitland Coal		PROPOSED DEPTH 7,655
<input checked="" type="checkbox"/> SINGLE	<input type="checkbox"/> DUAL	<input type="checkbox"/> OIL	<input checked="" type="checkbox"/> GAS	<input type="checkbox"/> EXPL.	<input type="checkbox"/> DEV.
<input type="checkbox"/> LAND	<input type="checkbox"/> BAY	<input type="checkbox"/> MARSH	<input type="checkbox"/> GULF	<input type="checkbox"/> STRAT.	<input type="checkbox"/> WORKOVER
DATE TO START 6/1/2011			DAYS TO DRILL/COMPLETE 16		<input checked="" type="checkbox"/> CAPITAL <input type="checkbox"/> EXPENSE
			<input checked="" type="checkbox"/> NEW		<input type="checkbox"/> DEEPEN <input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> SUPPLEMENT		
TANGIBLES - 940			DRY HOLE COSTS		
TUBULAR GOODS			COMPLETION COSTS		
			TOTAL COSTS		
101	Conductor Pipe	9 5/8 In.	200 Ft.	20.42 \$/Ft.	\$4,084.00
104	Production	7 In.	3,715 Ft.	15.57 \$/Ft.	\$57,842.55
104	First Inter.	7 In.	3,715 Ft.	15.57 \$/Ft.	\$57,842.55
104	Second Inter.	7 In.	3,715 Ft.	15.57 \$/Ft.	\$57,842.55
104	Prod. Liner	4 1/2 In.	3,990 Ft.	12.44 \$/Ft.	\$49,635.60
105	Rods	7/8 In.	3,550 Ft.	3.62 \$/Ft.	\$12,851.00
107	Tubing	2 3/8 In.	3,550 Ft.	4.40 \$/Ft.	\$15,620.00
107	Tubing	1/4 In.	3,550 Ft.	3.25 \$/Ft.	\$11,537.50
EQUIPMENT					
201	Wellhead				\$6,499.00
102,103	Tbg & Csg Acc,liner hgr, Prod Pkr.				\$17,499.00
202,203	Production				
205,206	Equipment				\$138,000.00
204	Other	Valves and fittings			\$10,000.00
TOTAL TANGIBLES			\$307,948.65		
INTANGIBLES - 950			DRILLING COSTS		
103	Turnkey				\$0.00
103	Footage				\$0.00
103	Day Work	16 Da.		15,800.00 \$/Da.	\$252,800.00
208	Comp Rig	120 Hr.		300.00 \$/Hr.	\$36,000.00
208	Service unit				\$10,000.00
105	Rental Tools, Services, Chokes, Etc.				\$128,000.00
107,205	Rig Moving Cost				\$5,000.00
105	Other	Directional Services			\$300,000.00
CEMENTING (INCL. FLOAT EQUIP. ETC.)					
102	Surface				\$10,000.00
102	Intermediates				\$28,000.00
201	Production				\$0.00
201	Production Liners				\$0.00
102	Tieback String				\$0.00
201	Squeeze Cemt. (incl. Ret. & Pkrs.)				\$0.00
201	Other				\$0.00
FORMATION TREATMENT					
207	Acidizing				\$5,000.00
207	Fracturing Equipment & Materials				\$0.00
204	Frac. Fluid	Gas			\$0.00
203,205	Tank Rental & Hauling				\$0.00
SPECIAL SERVICES					
206	Perforation (set B.P. & Pkrs., Wireline Etc.)				\$0.00
150	Mud Logging Data Units				\$27,000.00
150	Formation Logging				\$0.00
160,250	Cores, DST=s, Well Testing, etc.				\$0.00
150	Drilling Logs (CBL, Tracer, Inspection, W.L.)				\$0.00
203	Packer & Retr. B.P.				\$0.00
206	Whipstocking & Sidetracking				\$0.00
206	Compressors				\$0.00
DRILLING FLUIDS					
104	Mud & Chemicals				\$56,000.00
108	Water & Brine				\$10,000.00
108	Other (Gas & Air)				\$0.00
MATERIALS & SERVICES OTHER					
101	Bits & Reamers				\$22,965.00
106	Fuel				\$28,000.00
107,205	Hauling				\$39,600.00
201	Tubular Inspection				\$0.00
105,203	Testing (Manifolds, BOP, Tbg Etc)				\$0.00
105,203	Misc. Csg Exp (Run Csg, Sandblasting, Etc.)				\$18,000.00
203	Tank Rentals				\$1,000.00
203	Equipment Rental				\$10,000.00
203	Misc. Exp.				\$64,000.00
LOCATION, ACCESS, CLEANUP					
030	Road/Site/Construction				\$41,000.00
060,080	Safety/Environmental				\$27,000.00
020	SUPERVISION & LEGAL ETC.				\$20,800.00
TOTAL INTANGIBLES			\$1,177,165.00		
Plus 10 % Contingency			\$117,716.50		
TOTAL INTANGIBLES WITH 10% CONTINGENCY			\$1,294,881.50		
TOTAL TANGIBLES			\$307,948.65		
GRAND TOTAL			\$1,602,830.15		

Partner Name: _____		W.I. % for Dry Hole _____		W.I. % for Completion _____	
Date: April 6, 2011	Prepared by: Devin Mills	Partner's Approval _____			
Approved by: _____		Company Name: _____			
		Date: _____			

ENERGEN EX. NO. 5
NMOCD CASE # 14653
MAY 26, 2011