



**AUTHORITY FOR EXPENDITURE
DRILLING AND COMPLETION PROJECT**

AFE NO: **307196-01H**

Operator:	BC Operating	State:	New Mexico	County:	Lea
Lease:	Broadside 13 Fed Com W 1H	API:	30-025-46517		
Field:	Bell Lake, NM	Permit:	10400039853		
Projected TD:	17,481 feet			Estimated Days	
Objective:	Wolfcamp			Drilling	38.00
Drilling Type:	Horizontal	DAYWORK		BCP Days	30.00
Location:	350' FSL & 2330' FWL Sec. 12, T24S R33E			ACP Days	38.00
Starting Date:	December 3, 2019			Completion	8.00
			(or depending on rig availability)		

DRILL - COMPLETE - EQUIP COST SUMMARY	Drilling	Completion	Production
INTANGIBLE	3,279,864	2,878,505	79,690
TANGIBLE	911,193	0	612,625
ADMINISTRATIVE & CONTINGENCES	419,100	287,900	0
TOTAL THIS AFE	4,610,157	7,776,562	8,468,877

TOTAL THIS AUTHORIZATION		8,468,877
Previously Authorized	0	0
PROJECT TOTAL	0	8,468,877

WORKING INTEREST OWNER

Company:	_____	Working Interest:	0.0000%
Approved By:	_____	Net:	\$0
Date:	_____		

Costs shown on this form are estimates only and approval of this AFE shall extend to the actual cost incurred in conducting the work authorized, whether more or less than herein setout.

BC Operating

Department	Signature	Date
Drilling	✓	
Completion	✓	
Expl. / Geol.	✓	
Resvr/Planning	✓	
Land	✓	
Management 1	✓	
Management 2	✓	

Prepared By: T. Wolfmueller

Date:

December 3, 2019

ACTG. SUB	A. INTANGIBLE DRILLING	BCP	ACP
181	Survey	10,000	10,000
143	Lease & Road Restoration	50,000	50,000
143	Lease Construction	155,000	155,000
143	Pit Liner	0	0
179	Surface Damages	41,000	41,000
142	Surface Lease Acquisition, Legal Fees, Title Opinion	5,000	5,000
149	Permit	15,000	15,000
105	Directional Drilling & Survey Costs 10000 \$/day	315,000	315,000
132	Rental - Katch Kan / Super Vac 500 \$/day	6,000	6,000
132	Rental - Surface Tank (Water & OBM) 350 \$/day	13,000	15,800
132	Rental - Surface (PVT, Choke, EDR, etc.) 400 \$/day	12,000	15,200
132	Rental - Misc Surf Rental 2500 \$/day	75,000	95,000
132	Rental - Centrifuge & Solids Control 1700 \$/day	53,000	66,600
137	Rental - Agitator 3000 \$/day	40,000	40,000
132	Rental - Rotating Head 400 \$/DAY	18,200	18,200
137	Rental - Misc Sub Surf Rental 700 \$/day	26,300	31,900
137	Rental - Drill String Rental 2000 \$/day	30,000	30,000
139	Drill string inspection & repair 1.00 \$/ft	17,500	17,500
191	Welding - Crew Work - Repair	15,000	15,000
176	Supplies Misc	1,000	1,000
190	Water, Rights & Transportation Fresh & Brine	68,693	68,693
190	Water well, pump & lines 0 \$/day + well	0	0
115	Bits / Reamers	72,000	72,000
146	Drilling Mud & Chemicals	170,000	170,000
108	Diesel for OBM 12500 Gal @ 2.75	34,375	34,375
147	Mud Logging 1300 \$/day	38,996	38,996
132	Safety / H2S 250 \$/day	7,500	7,500
134	OBM Solids Disposal, incl roll off bins 4700 \$/day + disp	141,000	178,600
106	Drilling Supervisor 3400 \$/day	115,600	142,800
120	Camp - Wellsite Trailers, Sewage, Hotel 1500 \$/day	60,000	72,000
120	Communications, Intercom & Satellite 300 \$/day	12,000	12,000
144	Logging Gyro	3,000	3,000
134	End of Well OBM Rig Clean Up	12,500	17,500
125	Drilling - Turnkey 0 \$/day	0	0
124	Drilling - Footage - \$/ft	0	0
104	Drilling - Daywork 18500 \$/day	703,000	703,000
104	Drilling Labor - RU,RD	37,000	37,000
104	Drilling Equipment - Slider & OBM Pay 600 \$/day	25,550	25,550
167	Rig Move Mob / DeMob Move in cost only	91,500	91,500
108	Fuel & Power 4125 \$/day	123,750	156,750
102	Insurance	5,400	5,400
118	Cement, Surface	30,000	30,000
118	Cement, Inter	25,000	25,000
131	Water Disposal 1000 \$/day	10,000	10,000
118	Cement, Prod & Inter II	68,000	90,000
117	Casing Handling (tongs, l/d, etc.) & Casing Inspection	20,000	35,000
131	Dispal	32,000	150,000
169	Serv- Wellhead/ Tubulars/ Casing cleaning/ roustabout	30,000	0
144	Logging	0	30,000
132	Coring & Core Analysis	0	0
112	BOP Testing & Nipple Up	30,000	30,000
187	Trucking	20,000	25,000
195	Miscellaneous	75,000	75,000
SUB TOTAL INTANGIBLE DRILLING		2,959,864	3,279,864

ACTG. SUB	B. TANGIBLE DRILLING	BCP	ACP
	CASING DESCRIPTION ft \$/ft		
202	Conductor (if surf not pre-set) 120 \$ 292.00	35,000	35,000
204	Surf 13.375in, 54.5lb, J55, STC 1400 \$ 30.28	42,400	42,400
206	Inter 10.75in, 45.5lb, J55, BTC-SC 5230 \$ 26.44	138,300	138,300
210	Inter 7.625in, 29.7lb, P110, BTC 12241 \$ 19.40	261,200	261,200
408	Prod Liner 5.5in, 20.lb, HCP110, T-L Wedge 17481 \$ 19.03	0	365,900
204	Surface Casing Accessories	3,000	3,000
206	Inter/Liner Casing Accessories	2,500	2,500
408	Production Casing Accessories	0	25,000
293	Casing flange & Valves Multi-Bowl Head	30,000	37,893
206	Liner Hanger	0	
206	Casing Coating Wryt-Wrap	0	0
SUB TOTAL TANGIBLE DRILLING		512,400	911,193
TOTAL DRILLING COSTS		3,472,264	4,191,057

ACTG. SUB	E. INTANGIBLE COMPLETION	BCP	ACP
306	Supervision	0	39,000
320	Communication/ living quarters	0	7,850
308	Fuel	0	198,000
315	Bits	0	0
332	Equipment rental	0	78,755
334	Frac/ Stimulation	0	1,650,000
343	Location	0	3,500
344	Perforating	0	177,800
369	Roustabout	0	22,500
387	Trucking	0	80,000
346	Mud & Chemicals	0	0
341	Water Transfer	0	0
342	Frac plugs	0	0
338	Coil Tubing/ N2	0	90,000
339	Flowback Equipment	0	31,000
340	Flowback SWD	0	50,000
392	Water	0	381,500
337	Subsurface Rental/ plugs	0	18,100
395	Misc	0	0
336	Kill / Vacuum Truck / pump down	0	38,000
331	Safety / Enviro	0	5,000
312	Nipple up	0	7,500
SUB TOTAL Completion Intangible		0	2,878,505

ACTG. SUB	F. TANGIBLE COMPLETION	ACP
403	Frac pit	0
403		
403		
SUB TOTAL Completion Tangible		0
TOTAL COMPLETION COSTS		2,878,505

ACTG. SUB	G. INTANGIBLE PRODUCTION	ACP
319	Pulling Unit 2 days	12,000
306	Supervision	4,200
369	Roustabout	39,200
387	Trucking	24,290
SUB TOTAL Production Intangible		79,690

ACTG. SUB	H. TANGIBLE PRODUCTION	ACP
412	Tubing 2-7/8" 6.5# J-55	45,125
428	Electrical Panel	2,500
465	Pumping Unit	0
470	Downhole Equipment- gas lift	60,000
478	Tanks & Battery	425,000
493	Wellhead	15,000
434	Flowline	55,000
454	Packer	10,000
SUB TOTAL Production Tangible		612,625
TOTAL PRODUCTION COSTS		692,315

ACTG. SUB	G. ADMINISTRATIVE & CONTINGENCES	DRY	CASED
102	Contingences (Drilling) 10 %	347,200	419,100
307	Contingences (Completion) 10 %	0	287,900
SUB TOTAL ADMINISTRATIVE		347,200	707,000