

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: Bradley 30 Federal Com #3H		Prospect: Bradley 30	
Location: SL: 1830' FNL & 150' FWL, BHL: 1700' FNL & 330' FEL		County: Eddy	ST: NM
Sec: 30	Blk: 	Survey: 	TWP: 18S RNG: 30E Prop. TVD: 8179' TMD: 12,700'

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Permits and Surveys		0180-0100	\$10,000	0180-0200	
Location: Roads, Pits & Site Preparation		0180-0105	\$50,000	0180-0205	\$5,000
Location: Site Restoration, Excavation & Other		0180-0106	\$125,000	0180-0206	
Day Work, Footage, Turnkey Drilling 28 days drtg/3 day comp @ \$16500/day + GRT		0180-0110	\$489,700	0180-0210	\$52,400
Fuel		0180-0114	\$110,000		
Mud		0180-0120	\$70,000		
Chemicals and Additives		0180-0121	\$3,000	0180-0221	
Cementing		0180-0125	\$85,000	0180-0225	
Logging, Wireline & Coring Services		0180-0130	\$23,000	0180-0230	
Casing, Tubing & Snubbing Services		0180-0134	\$25,000	0180-0234	\$15,000
Mud Logging		0180-0137	\$15,000		
Stimulation				0180-0241	\$1,300,000
Stimulation Rentals & Other				0180-0242	\$350,000
Water & Other		0180-0145	\$49,000		
Bits		0180-0148	\$60,000	0180-0248	
Inspection & Repair Services		0180-0150	\$9,000	0180-0250	\$2,000
Misc. Air & Pumping Services		0180-0154		0180-0254	\$2,500
Testing		0180-0158	\$5,000	0180-0258	\$5,000
Completion / Workover Rig				0180-0260	\$20,000
Rig Mobilization		0180-0164	\$130,000		
Transportation		0180-0165	\$30,000	0180-0265	\$5,000
Welding and Construction		0180-0168	\$1,500	0180-0268	\$7,500
Engineering & Contract Supervision		0180-0170	\$50,000	0180-0270	
Directional Services		0180-0175	\$130,000		
Equipment Rental		0180-0180	\$230,000	0180-0280	\$5,000
Well / Lease Legal		0180-0184	\$8,000	0180-0284	\$1,000
Well / Lease Insurance		0180-0185	\$4,300	0180-0285	\$1,000
Intangible Supplies		0180-0188	\$10,000	0180-0288	\$1,000
Damages		0180-0190		0180-0290	
Pipeline, Road, Electrical ROW & Easements		0180-0192		0180-0292	
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$75,000	0180-0295	\$30,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$7,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 10% (TCP) 5% (CC)		0180-0199	\$180,800	0180-0299	\$90,500
TOTAL			\$1,988,300		\$1,899,900
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 400' 13 3/8" 48# K55 STC @ \$36.98/ft		0181-0794	\$14,800		
Casing (8.1" - 10.0") 1500' 9 5/8" 36# K55 LTC @ \$24.97/ft		0181-0795	\$37,500		
Casing (6.1" - 8.0") 8500' 7" 26# P110 BTC/LTC @ \$29.70/ft		0181-0796	\$252,500		
Casing (4.1" - 6.0") 4300' 4 1/2" 13.5# P110 LTC @ \$14.19/ft				0181-0797	\$61,000
Tubing (2" - 4") 8500' 2 7/8" 6.5# L80 EUE 8rd \$ 6.60/ft				0181-0798	\$56,100
Drilling Head		0181-0860	\$12,000		
Tubing Head & Upper Section				0181-0870	\$13,000
Downhole Directional Equipment				0181-0871	\$400,000
Sucker Rods				0181-0875	\$25,000
Packer Pump & Subsurface Equipment				0181-0880	\$15,000
Artificial Lift Systems				0181-0884	\$7,500
Pumping Unit				0181-0885	\$100,000
Surface Pumps & Prime Movers				0181-0886	
Tanks - Steel 3 500 bbl ST				0181-0890	\$45,000
Tanks - Others 2 500 bbl WT				0181-0891	\$26,000
Separation & Gas Treating Equipment				0181-0895	\$23,000
Heater Treaters, Line Heaters				0181-0897	\$22,000
Metering Equipment				0181-0898	\$7,500
Line Pipe - Gas Gathering and Transportation				0181-0900	
Misc. Fittings, Valves, Line Pipe and Accessories				0181-0906	\$45,000
Cathodic Protection				0181-0908	
Electrical Installations				0181-0909	\$25,000
Production Equipment Installation				0181-0910	\$40,000
Pipeline Construction				0181-0920	
TOTAL			\$316,800		\$911,100
SUBTOTAL			\$2,305,100		\$2,811,000
TOTAL WELL COST			\$5,116,100		

Prepared by: S. Puryear Date: 7/23/2012
 Co. Approval: M. Whitte Date: 7/24/2012

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____

Joint Owner Approval: _____

Operator has secured Operator's Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. Non-Operator may elect NOT to be covered by this Operator's Extra Expense Insurance only by signing below. **The undersigned elects NOT to be covered by Operator's Extra Expense Insurance for their well.**

Joint Owner Name: _____

Signature: _____

Form Rev: 4/2012

Oil Conservation Division
 Case No. 2
 Exhibit No.