

AUTHORITY FOR EXPENDITURE
ESTIMATED WELL COSTS

ENERGEN RESOURCES

WELL NAME AND NUMBER		FIELD OR AREA	
CARRACAS 8B #16		Basin Fruitland Coal	
OPERATOR		COUNTY	STATE
Energen Resources		RIO ARriba	NEW MEXICO
PROJECT DESCRIPTION AND LOCATION		SECTION: 8	TOWNSHIP 32N RANGE 4W
New Development Well		PROPOSED FORMATION	
		Fruitland Coal	
		7.655	
<input checked="" type="checkbox"/> SINGLE	<input type="checkbox"/> OIL	<input type="checkbox"/> EXPL.	<input type="checkbox"/> WORKOVER
<input type="checkbox"/> DUAL	<input checked="" type="checkbox"/> GAS	<input checked="" type="checkbox"/> DEV.	<input checked="" type="checkbox"/> CAPITAL
		<input type="checkbox"/> STRAT.	<input type="checkbox"/> EXPENSE
<input checked="" type="checkbox"/> LAND	<input type="checkbox"/> BAY	DATE TO START	
<input type="checkbox"/> MARSH	<input type="checkbox"/> GULF	6/1/2011	
		DAYS TO DRILL/COMPLETE	
		16 10	
		<input checked="" type="checkbox"/> ORIGINAL	
		<input type="checkbox"/> SUPPLEMENT	

TANGIBLES - 940		DRY HOLE COSTS	COMPLETION COSTS	TOTAL COSTS
TUBULAR GOODS				
101	Conductor Pipe	In.	Ft.	\$/Ft.
106	Surface Casing	9 5/8 In.	200 Ft.	20.42
104	Production	In.	Ft.	\$/Ft.
104	First Inter.	7 In.	3,715 Ft.	15.57
104	Second Inter.	In.	Ft.	\$/Ft.
104	Prod. Liner	4 1/2 In.	3,990 Ft.	12.44
105	Rods	7/8 In.	3,550 Ft.	3.62
107	Tubing	2 3/8 In.	3,550 Ft.	4.40
107	Tubing	1/4 In.	3,550 Ft.	3.25
EQUIPMENT				
201	Wellhead			
102,103	Tbg & Csg Acc.liner hgr, Prod Pkr.			
202,203	Production			
205,206	Equipment			
204	Other	Valves and fittings		
TOTAL TANGIBLES				

INTANGIBLES - 950		DRY HOLE COSTS	COMPLETION COSTS	TOTAL COSTS
DRILLING COSTS				
103	Turnkey			
103	Footage			
103	Day Work	16 Da.	15,800.00	\$/Da.
208	Comp Rig	120 Hr.	300.00	\$/Hr.
208	Service unit			
105	Rental Tools, Services, Chokes, Etc.			
107,205	Rig Moving Cost			
105	Other	Directional Services		
CEMENTING (INCL. FLOAT EQUIP. ETC.)				
102	Surface			
102	Intermediates			
201	Production			
201	Production Liners			
102	Tieback String			
201	Squeeze Cemt. (incl. Ret. & Pkrs.)			
201	Other			
FORMATION TREATMENT				
207	Acidizing			
207	Fracturing Equipment & Materials			
204	Frac. Fluid	Gas		
203,205	Tank Rental & Hauling			
SPECIAL SERVICES				
206	Perforation (set B.P. & Pkrs., Wireline Etc.)			
150	Mud Logging Data Units			
150	Formation Logging			
160,250	Cores, DST-s, Well Testing, etc.			
150	Drilling Logs (CBL, Tracer, Inspection, W.L.)			
203	Packer & Retr. B.P.			
206	Whipstocking & Sidetracking			
206	Compressors			
DRILLING FLUIDS				
104	Mud & Chemicals			
108	Water & Brine			
108	Other (Gas & Air)			
MATERIALS & SERVICES OTHER				
101	Bits & Reamers			
106	Fuel			
107,205	Hauling			
201	Tubular Inspection			
105,203	Testing (Manifolds, BOP, Tbg Etc)			
105,203	Misc. Csg Exp (Run Csg, Sandblasting, Etc.)			
203	Tank Rentals			
203	Equipment Rental			
203	Misc. Exp.			
LOCATION, ACCESS, CLEANUP				
030	Road/Site/Construction			
060,080	Safety/Environmental			
020	SUPERVISION & LEGAL ETC.			
TOTAL INTANGIBLES				
Plus 10 % Contingency				
TOTAL INTANGIBLES WITH 10% CONTINGENCY				
TOTAL TANGIBLES				
GRAND TOTAL				

Partner Name:

W.I. % for Dry Hole

W.I. % for Completion

Date: April 6, 2011
Prepared by: Devin Mills
Approved by:

Partner's Approval
Company Name:
Date:

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