

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name	Young 21 PM Fed Com #1H		Prospect	Young 21	
Location	SL: 297' FSL & 706' FEL BHL: 990' FSL & 330' FWL		County	Lea	NM
Sec	21	BLK	Survey	TWP	18S
			RNG	32E	Prop. TWD
				9451'	TMD
					13500'

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Permits and Surveys		0180-0100	\$10,000	0180-0200	\$4,000
Location: Roads, Pits & Site Preparation		0180-0105	\$70,000	0180-0205	\$16,000
Location: Site Restoration, Excavation & Other		0180-0106	\$160,000	0180-0206	
Day Work, Footage, Turnkey Drilling 22 drlg & 2 comp @ \$16500/day		0180-0110	\$387,700	0180-0210	\$35,300
Fuel 900gal/day @ \$3.50		0180-0114	\$75,600		
Mud		0180-0120	\$70,000		
Chemicals and Additives		0180-0121		0180-0221	\$5,000
Cementing		0180-0125	\$100,000	0180-0225	\$1,500
Logging, Wireline & Coring Services Gyro & cased hole		0180-0130	\$16,000	0180-0230	
Casing, Tubing & Snubbing Services		0180-0134	\$40,000	0180-0234	\$13,000
Mud Logging		0180-0137	\$20,000		
Stimulation				0180-0241	\$750,000
Stimulation Rentals & Other				0180-0242	\$300,000
Water & Other		0180-0145	\$70,000		
Bits		0180-0148	\$70,000	0180-0248	\$2,000
Inspection & Repair Services		0180-0150	\$20,000	0180-0250	\$2,000
Misc. Air & Pumping Services Nitrogen for drill out		0180-0154		0180-0254	\$60,000
Testing		0180-0158	\$22,000	0180-0258	\$40,000
Completion / Workover Rig				0180-0260	\$35,000
Rig Mobilization		0180-0164	\$165,000		
Transportation		0180-0165	\$40,000	0180-0265	\$10,000
Welding and Construction		0180-0168	\$5,000	0180-0268	\$10,000
Engineering & Contract Supervision		0180-0170	\$50,000	0180-0270	\$8,000
Directional Services		0180-0175	\$125,000		
Equipment Rental		0180-0180	\$180,000	0180-0280	\$10,000
Well / Lease Legal		0180-0184	\$1,000	0180-0284	\$1,000
Well / Lease Insurance		0180-0185	\$5,000	0180-0285	
Intangible Supplies		0180-0188	\$10,000	0180-0288	\$1,000
Damages		0180-0190	\$5,000	0180-0290	
Pipeline, Road, Electrical ROW & Easements		0180-0192		0180-0292	\$10,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$70,000	0180-0295	\$35,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$7,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 10% (TCP) 5% (CC)		0180-0199	\$179,700	0180-0299	\$67,800
TOTAL			\$1,977,000		\$1,423,600

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 1250' - 13 3/4" 48# H40 ST&C @ \$32.98/ft w/GRT		0181-0794	\$44,000		
Casing (8.1" - 10.0") 2850' - 9 5/8" 36# J55 LT&C @ \$23.70/ft w/GRT		0181-0795	\$72,200		
Casing (6.1" - 8.0") 9750' - 7" 26# P110 BT&C/LT&C @ \$24.70/ft w/GRT		0181-0796	\$257,200		
Casing (4.1" - 6.0") 3950' - 4 1/2" 13.5# P110 LT&C @ \$12.75/ft w/GRT				0181-0797	\$53,800
Tubing (2" - 4") 8900' - 2 7/8" 6.5# L-80 tbg @ \$6.22/ft w/GRT				0181-0798	\$59,200
Drilling Head		0181-0860	\$15,000		
Tubing Head & Upper Section				0181-0870	\$10,000
Downhole Directional Equipment 20 stage Baker system				0181-0871	\$225,000
Sucker Rods				0181-0875	\$35,000
Packer Pump & Subsurface Equipment 7" packer				0181-0880	\$12,000
Artificial Lift Systems Gas Lift Valves				0181-0884	\$14,000
Pumping Unit 912D-365-168				0181-0885	\$112,000
Surface Pumps & Prime Movers				0181-0886	\$1,500
Tanks - Steel 4-500bbl				0181-0890	\$68,000
Tanks - Others 2-500bbl				0181-0891	\$26,000
Separation & Gas Treating Equipment 2 - 30"x10"x1000# 3-Phase Separator				0181-0895	\$25,000
Heater Treaters, Line Heaters 6"x20"x75# Vertical Heater Treater				0181-0897	\$22,000
Metering Equipment				0181-0898	\$12,000
Line Pipe - Gas Gathering and Transportation				0181-0900	\$15,000
Misc. Fittings, Valves, Line Pipe and Accessories				0181-0906	\$45,000
Cathodic Protection				0181-0908	
Electrical Installations				0181-0909	\$40,000
Production Equipment Installation				0181-0910	\$50,000
Pipeline Construction				0181-0920	\$10,000
TOTAL			\$388,400		\$835,500
SUBTOTAL			\$2,365,400		\$2,259,100
TOTAL WELL COST			\$4,624,500		

Oil Conservation Division
Case No. 15081
Exhibit No. 5

Prepared by: B. Hlavaty Date: 9/13/2013

Co. Approval: *m. white* Date: 9/13/2013

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: