JTD RESOURCES, LLC AUTHORITY FOR EXPENDITURE

WELL NAME: Vinson #1	PROSPECT NAME:Southwest Nadine
LOCATION: 2,310' FWL & 330' FSL	COUNTY & STATE: Lea, New Mexico
Section 4-T20S-R36E	OBJECTIVE: Re-entry for Multi-pay oil well.
(Abo, Drinkard, Tubb & Blinebry)	AFE CODE: Re-enter & Complete

INTANGIBLE COSTS		ВСР		ACP	TOTAL
PERMITS	502		702		•
TITLE OPINION & CURATIVE	504	6,000	704		6,000
SURVEYING / STAKE LOCATION	506		706		0
DAMAGES & R-O-W'S	508	10,000	708		10,000
ROADS, LOCATION, PITS, LINERS, ETC.	510	5,000	710	3,000	8,000
DRILLING - USE DD WOROVER UNIT (5 days)	512	21,000			21,000
DRILLING - DAYWORK	514		714		0
DRILLING MUD & CHEMICALS	516		716		0
WATER	518	1,500	718	4,500	6,000
BITS, REAMERS, ETC.	520	3,500	720		3,500
CEMENTING SURFACE	522				0
CEMENTING SORFACE CEMENTING INTERMEDIATE	524 526				
CEMENTING PRODUCTION	320		728	35,000	35,000
TUBULAR SERVICES AND TOOLS	530		730	2,000	2,000
CASING CREWS / PU LD MACHINE	532		732	4,500	4,500
FLOAT EQUIPMENT	534		734	2,350	2,350
TESTING; DST & COMPLETION	536		736		0
OPEN HOLE LOGGING / CASED HOLE LOGGING	538			3,800	3,800
MUD LOGGING	540				0
WELDING & HOURLY LABOR	542	1,200	742	5,200	6,400
EQUIPMENT RENTAL	544	7,000	744	4,200	11,200
TRUCKING, TRANSPORTATION, FORKLIFT	546	1,850	746	750	2,600
COMPLETION UNIT (15 days)			748	63,000	63,000
FORMATION STIMULATION (1 large acid, 3 fracs)			750	225,000	225,000
WIRELINE SERVICES / PERFORATING	552		752	15,000	15,000
GEOLOGIC / ENGINEERING	554	1,000	754	2,500	3,500
CONTRACT LABOR	556	7,700	756	18,500	26,200
DRILLING WELL RATE (A/O)	558	7,800	758		7,800
INSURANCE	560	15,600	760		15,600
MISCELLANEOUS	562	1,500	762	2,500	4,000
CONTINGENCY (7.50%)	564	6,799	764	29,385	41,022
TOTAL INTANGIBLES		97,449		421,185	523,472
TANGIBLE COSTS					
CONDUCTOR CASING	602	•		•	0
SURFACE CASING	604				0
00117 702 070110					0
INTERMEDIATE CASING	608				0
					0
DEEP INTERMEDIATE CASING	612				0
					0
PRODUCTION CASING / LINER	616		816		0
8,100', 5 1/2", J-55 & N-80 Casing				81,700	81,700
TUBING: 8,000' of 2 7/8", 6.5#, 8rd EUE J55	620		820	40,000	40,000
WELLHEAD EQUIPMENT	622	1,500	822	3,000	4,500
SURFACE LIFT & ELECTRICITY	624		824	65,000	65,000
RODS AND PUMP	626		826	17,000	17,000
PACKERS, BP'S, DOWNHOLE EQUIPMENT	628		828		0
GAS PRODUCTION EQUIPMENT	630		830		0
SEPARATOR, TREATER	632		832	5,800	5,800
FLOWLINES, VALVES, CONNECTIONS	634		834	12,000	12,000
TANKS (Water and Production)	636		836	7,000	7,000
MISCELLANEOUS	638		838	1,500	1,500
CONTINGENCY (7.50%)	640	113	840	17,475	17,588
TOTAL TANGIBLES		1,613		250,475	252,088
TOTAL WELL COSTS		99,061		671,660	775,560
PLUGGING COST	566	25,939			
TOTAL DRY HOLE		125,000			
Prepared By: Bill Pierce		Date of Final Prepa	ration	: August 9, 2007	
Consulting Engineer - Delta P Petroleum Services					

IT IS RECOGNIZED THAT THE AMOUNTS HEREIN ARE ESTIMATES ONLY AND APPROVAL OF THIS AFE SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN THE OPERATION SPECIFIED ABOVE , WHETHER MORE OR LESS THAN SET OUT HEREIN.

JTD Resources, LLC. Approved By: Daw M. John Will	Title: Mizmbelt / M.	anafer Date: Aubust 15, 2007
Approved By:	Title:	Date:
Printed Name:		
Company:	%W.I	Oil Conservation Division
		Case No Exhibit No.