

UNIT PETROLEUM COMPANY

P.O. Box 702500
Tulsa, OK 74170
(918) 493-7700

AFE/COST ESTIMATE

☒ ORIGINAL
☐ SUPPLEMENT

☒ NEW WELL
☐ SUBSEQUENT DEVELOPMENT
☐ WORKOVER
☐ PLUG AND ABANDON

DISTRICT Midland		WELL NAME Byers #1		FIELD	WI	BCP	ACP	PREPARED BY DATE		KR 5/15/2003
SECTION 23	TOWNSHIP 20S	RANGE 35E	BLOCK	SURVEY		COUNTY Lea	STATE New Mexico			
OBJECTIVE Morrow		PROPOSED TD 13,500 FT	WELL TYPE		AFE #					
		OIL	<input checked="" type="checkbox"/> GAS	SWD	INJ	OTHER	EXPLOR			
ESTIMATED DAYS: 55 DRILLING 15 COMPLETION 70 TOTAL										
PURPOSE OF EXPENDITURE & WORK PROCEDURE: Drill, complete, and equip a flowing gas well.										

CODE		CLASSIFICATION							ESTIMATE		
1626 (DRLG)	1627 (CMPL)	INTANGIBLES							DRILLING	COMPLETED	TOTAL
1	1	PERMITS	\$800	SURVEYS	\$1,200	ROW	DAMAGES	\$0	5,000	500	5,500
2	2	ROADS & LOCATION: B LOCATION: BUILD			\$20,000	CLEAN-UP	\$5,000		20,000	5,000	25,000
3	3	FOOTAGE DEPTH		FT @		/FT			0	0	0
4	4	DW DAYS	55 DAYS @	\$8,500 /DAY	COMP	15 DAYS @	\$2,000		467,500	50,000	517,500
5	5	MOBILIZE - RU - RD - DEMOBILIZE							50,000	15,000	65,000
6	6	FUEL/POWER							50,000	0	50,000
7	7	DRLG WATER	WATER WELL			COMP FLUID			20,000	3,000	23,000
8	8	CONTRACT LABOR/WELDING							3,000	3,000	6,000
9	9	BITS							75,000	0	75,000
10	10	DRLG FLUID	AIR		CHEMICALS				70,000	0	70,000
11	11	FORMATION TESTING		CORING	FLOW TESTS				0	5,000	5,000
12	12	OPENHOLE LOGGING & SURVEYS							15,000	0	15,000
13	13	CEMENT & SERVICES							25,000	10,000	35,000
14	14	RENTALS & SERVICES: SURFACE			SUBSURFACE				100,000	20,000	120,000
15	15	CASED HOLE LOGGING		PERFORATING		WIRELINE			0	10,000	10,000
16	16	STIMULATION : ACID		4000	FRAC	75000 OTHER				85,000	85,000
17	17	SUPPLIES, MATERIALS, & MISCELLANEOUS RENTALS							0	1,000	1,000
18	18	GEOLOGICAL	MUD LOGGING			OTHER PROF			7,500	0	7,500
19	19	WELL SUPERVISION : DRILLING			COMPLETION		\$10,000		10,000	15,000	55,000
20	20	OVERHEAD OR COMBINED RATE							10,000	4,000	14,000
21	21	INSURANCE							0	0	0
22	22	ABANDONMENT EXPENSE (INCL LOCATION RECOVERY)							10,000	(10,000)	0
23	23	INSTALLATIONS & SERVICES THRU WELLHEAD							5,000	5,000	10,000
24	24	TRUCKING & OTHER SERVICES							10,000	7,500	17,500
32	32	CLOSED MUD SYSTEM							0		0
40	40	SALVAGE EQUIPMENT							0	0	0
30	30	CONTINGENCIES 0%							0	0	0
TOTAL INTANGIBLE COSTS									\$983,000	\$229,000	\$1,212,000

CODE		TANGIBLES						DRILLING	COMPLETED	TOTAL
101		CONDUCTOR CSG	40 FT OF	20.000 INCH @ \$	100.00 PER FT			4,000		4,000
102		SURFACE CSG	450 FT OF	13.375 INCH @ \$	14.00 PER FT			6,300		6,300
103		INTERMEDIATE CSG	4,300 FT OF	9.625 INCH @ \$	12.00 PER FT			51,600		51,600
	104	PRODUCTION CSG	11,500 FT OF	7.000 INCH @ \$	13.00 PER FT			149,500	0	149,500
	105	LINER CSG	2,200 FT OF	4.500 INCH @ \$	8.00 PER FT				17,600	17,600
	106	TUBING	13,500 FT OF	2.375 INCH @ \$	3.50 PER FT				47,300	47,300
	107	SUCKER RODS	FT OF	0.000 INCH @ \$	0.00 PER FT				0	0
	108	BH PUMP	GAS LIFT	TBG ANC	OTHER				0	0
109	109	WELLHEAD : CASING HEAD	TREE					10,000	25,000	35,000
	110	ARTIFICIAL LIFT	PRIME MOVER						0	0
	111	PACKERS & SUBSURFACE TOOLS							40,000	40,000
	112	INSTALLATION COSTS							10,000	10,000
	121	TANKS & ACCESSORIES							15,000	15,000
	122	PRODUCTION UNIT	DEHYDRATOR	COMPRESSOR					10,000	10,000
	123	HEATER TREATER	SEPARATOR						0	0
	124	ELECTRICAL SYSTEMS & LINES							0	0
	125	LEASE LINES							0	0
	126	CONTROLLABLE VALVES & FITTINGS							10,000	10,000
127	127	OTHER EQUIPMENT							1,500	1,500
	128	NON-CONTROLLABLE LEASE MATERIAL							0	0
	129	INSTALLATION COSTS							8,000	8,000
	131	LINE PIPE							10,000	10,000
	132	METERING EQUIPMENT							5,000	5,000
TOTAL TANGIBLES								\$221,400	\$199,400	\$420,800
TOTAL INTANGIBLES								\$983,000	\$229,000	\$1,212,000
TOTAL WELL COSTS								\$1,204,400	\$428,400	\$1,632,800

UNIT PETROLEUM APPROVALS

APPROVED BY	TITLE	DATE	COMPANY
UNIT PETROLEUM COMPANY			
PARTNER APPROVALS			
APPROVED BY	TITLE	DATE	COMPANY