

EAGLE RESOURCES, L.P.
AUTHORIZATION FOR EXPENDITURE

AFE#2003 104A

Purpose: Establish Canyon Oolite Production **RE-ENTRY**

Objective - Depth: 6853-6863	Lease: Cook	Well # 1
- Formation: Canyon	Field: Tule Penn, Montoya	
Estimated Spud Date: ###	County: Roosevelt	State: New Mexico
Estimated Completion Date: ###	Legal: Sec. 34, T-2-S, R-29-E, 330FNL & 1980FEL	

INTANGIBLE COST	Amount	Unit Cost	Dry Hole	Completion	Total
Legal - Drilling Title Op Acreage, Pooling, Landwork			22,000	0	22,000
Drilling - Daywork	0 Days	0.00 \$/Dy	0	0	0
- Footage	0 Feet	0.00 \$/Ft	0	0	0
- Turnkey	0 Feet		0	0	0
Mud & Chemicals			0	0	0
Water - Brine, Fresh			300	0	300
Cement - Surface	0 Sacks		0	0	0
- Intermediate	0 Sacks		0	0	0
- Production	0 Sacks		0	0	0
- Plug, Bond, Cleanup			2,200	0	2,200
Location - Road, Pad Cleanup			7,500	0	7,500
- Labor & Roustabout			0	4,700	4,700
- Survey, Archaeological			0	0	0
- Damages Location, Flowlines, Roads			10,000	0	10,000
- Environmental Impact			0	0	0
Services - Wireline Logging			5,700	0	5,700
- Testing (DST Profile, etc)			3,700	0	3,700
- Coring & Analysis	0 Feet		0	0	0
- Pulling & Reverse Unit	10 Days ##### \$/Dy		0	27,000	27,000
- Perforating				1,800	1,800
- Acidizing, PPI Tool			0	20,000	20,000
- Fracturing			0	0	0
- Mud Logging	0 Days 0.00 \$/Dy		0	0	0
- Engineering, Geological & Geophysical			0	0	0
Transportation (water etc)			0	6,300	6,300
Welding			0	0	0
Rental - BOP, Frac Tanks, Packer, etc.			0	7,500	7,500
Equipment - RBP Rental			0	0	0
Supplies - Well Signs, etc.			0	200	200
Supervision	15 Days 500.00 \$/Dy		0	7,500	7,500
Insurance			0	0	0
Administrative Overhead			0	1,500	1,500
SUBTOTAL INTANGIBLE COST			51,400	76,500	127,900
Contingencies (10%)			5,140	7,650	12,790
Sales Tax (6%)			3,392	5,049	8,441
TOTAL INTANGIBLE COST			59,932	89,199	149,131

TANGIBLE COST	Specifications	Amount	Unit Cost	Dry Hole	Completion	Total
Casing - Surface	8 5/8"	0 Feet	0.00 \$/Ft	0	0	0
- Intermediate		0 Feet	0.00 \$/Ft	0	0	0
- Production	5 1/2"	0 Feet	0.00 \$/Ft	0	0	0
Tubing	2 3/8"	6,900 Feet	2.79 \$/Ft	0	19,251	19,251
Rods	3/4" & 7/8"	0 Feet	0.00 \$/Ft	0	0	0
Wellheads, Casing Heads and Misc. Fittings					5,000	5,000
Packer or Tubing Anchor				0	3,000	3,000
Pumping Equip. - Downhole Pump				0	0	0
- UrGas Engine				0	40,000	40,000
- Electrical system				0	0	0
Battery - Tanks, Stairs, Walkway				0	8,000	8,000
- Heater Treater				0	6,500	6,500
- Fittings				0	5,000	5,000
- Meter & Installation				0	6,000	6,000
- Flowlines		5,000 Feet	2.50 \$/Ft	0	15,000	15,000
- Injection Equipment				0	0	0
Other				0	0	0
Sales Taxes (6%)				0	6,465	6,465
TOTAL TANGIBLE COST				0	114,216	114,216
TOTAL COST				59,932	203,415	263,347

Joint Interest Approval- It is recognized that amounts provided for herein are estimates only, and approval of this authorization shall extend to the actual costs incurred in conducting the operation specified, either more or less than herein set out.

Prepared by: Eagle Resource, L P Date: _____
 Operator

Approved by: _____ Date: _____ Tax ID# _____
 Non-Operator

BEFORE THE COMMISSION
 Santa Fe, New Mexico
 Case No. 13176 Exhibit No. 8
 Submitted by:
EAGLE RESOURCES, L.P.
 Hearing Date: October 23, 2003