

MEWBORNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Prospect: Quick Draw 15 Well Name & No: Quick Draw 15 "I" #1
 Field: _____ Location: 2310' FSL & 990' FEL
 Section: 15 Block: _____ Survey: _____ Township 20S Range: 25E
 County: Eddy ST: NM Proposed Depth: 3500'

DESCRIPTION			Cost To Casing Point AFE NO.	Completion Cost AFE NO.		
INTANGIBLE COST 180						
300	Permits and Surveys		\$2,000	\$1,000		
301	Location, Roads and Site Preparation	(includes 80' of conductor & cement)	\$40,000	\$1,500		
302	Footage or Turnkey Drilling					
303	Day Work	5 Days @ \$13,500/Day + 1 Days @ TD + GRT	\$71,600	\$13,500		
304	Fuel	6 Days @ 500 gal/day	\$9,000			
305	Completion / Workover Rig			\$20,000		
306	Mud and Chemicals		\$13,000			
307	Cementing		\$30,000	\$15,000		
308	Logging, Wireline and Coring Services		\$15,000	\$28,200		
309	Casing, Tubing & Snubbing Services		\$3,500	\$4,000		
310	Mud Logging		\$5,000			
311	Testing					
312	Treating	2 frac's		\$220,000		
313	Water & Other		\$8,000	\$1,000		
314	Bits		\$10,000			
315	Inspection & Repair Services			\$2,000		
316	Misc. Air and Pumping Services					
320	Rig Mobilization & Transportation		\$20,000			
321	Welding and Construction		\$5,000			
322	Engineering & Contract Supervision		\$5,000			
330	Equipment Rental		\$12,000	\$3,000		
334	Well / Lease Legal		\$3,000	\$1,000		
335	Well / Lease Insurance		\$1,200			
350	Intangible Supplies		\$500	\$500		
355	Damages		\$8,000			
360	Pipeline and Electrical ROW and Easements			\$5,000		
367	Pipeline Interconnect					
375	Company Supervision		\$10,000	\$7,500		
380	Overhead Fixed Rate		\$2,500	\$2,500		
398	Well Abandonment		\$12,000	(\$12,000)		
399	Contingencies	10% / 10%	\$28,600	\$31,400		
	Total Intangibles		\$314,900	\$345,100		
TANGIBLE COST 181						
797	Conductor Casing	80' 20" (included in location)				
797	Surface Casing	1200' 8 5/8" 24# J-55 @ \$31.80/ft	\$38,200			
797	Intermediate Casing					
797	Intermediate Casing					
797	Production Casing	3,500' 4 1/2" 10.5# J55 LTC @ \$15.63/ft		\$54,700		
798	Tubing	3200' 2 3/8" 4.7# J-55 EUE 8rd @ \$6.89/ft		\$22,100		
860	Drilling Head	8 5/8" x 4 1/2" Larkin	\$3,500			
870	Tubing Head & Upper Section	4-1/2" x 2 3/8" Larkin		\$3,500		
875	Sucker Rods			\$14,600		
880	Packer Pump & Subsurface Equipment			\$12,000		
884	Artificial Lift Systems					
885	Pumping Unit			\$38,000		
886	Surface Pumps & Prime Movers			\$5,000		
890	Tanks - Steel	Consolidated		\$8,000		
891	Tanks - Other	Consolidated		\$2,800		
895	Separation Equipment	Consolidated		\$7,500		
896	Gas Treating Equipment					
898	Metering Equipment			\$3,300		
900	Line Pipe - Gas Gathering and Transportation			\$3,000		
901	Line Pipe - Production			\$1,500		
906	Miscellaneous Fittings, Valves & Accessories			\$6,000		
909	Electrical Installations			\$20,000		
910	Production Equipment Installation			\$7,500		
920	Pipeline Construction			\$3,000		
Prepared by: M. Young			Date Prepared: 11/1/2008	Total Tangibles	\$41,700	\$212,500
Company Approval: <u>M. Whitten</u>			Date Approved: 11/1/2008	SUBTOTAL	\$356,600	\$557,600
Joint Owner Interest:			Joint Owner Amount:	TOTAL WELL COST	\$914,200	

Joint Owner: _____ 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 335. 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.

By: _____ Name: _____

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Prospect: Quick Draw 15 Well Name & No: Quick Draw 15 "P" #1
 Field: _____ Location: 990' FSL & 990' FEL
 Section: 15 Block: _____ Survey: _____ Township 20S Range: 25E
 County: Eddy ST: NM Proposed Depth: 3500'

DESCRIPTION			Cost To Casing Point AFE NO.	Completion Cost AFE NO.
INTANGIBLE COST 180				
300	Permits and Surveys		\$2,000	\$1,000
301	Location, Roads and Site Preparation (includes 80' of conductor & cement)		\$40,000	\$1,500
302	Footage or Turnkey Drilling			
303	Day Work 5 Days @ \$13,500/Day + 1 Days @ TD + GRT		\$71,600	\$13,500
304	Fuel 6 Days @ 500 gal/day		\$9,000	
305	Completion / Workover Rig			\$20,000
306	Mud and Chemicals		\$13,000	
307	Cementing		\$30,000	\$15,000
308	Logging, Wireline and Coring Services		\$15,000	\$28,200
309	Casing, Tubing & Snubbing Services		\$3,500	\$4,000
310	Mud Logging		\$5,000	
311	Testing			
312	Treating 2 frac's			\$220,000
313	Water & Other		\$8,000	\$1,000
314	Bits		\$10,000	
315	Inspection & Repair Services			\$2,000
316	Misc. Air and Pumping Services			
320	Rig Mobilization & Transportation		\$20,000	
321	Welding and Construction		\$5,000	
322	Engineering & Contract Supervision		\$5,000	
330	Equipment Rental		\$12,000	\$3,000
334	Well / Lease Legal		\$3,000	\$1,000
335	Well / Lease Insurance		\$1,200	
350	Intangible Supplies		\$500	\$500
355	Damages		\$8,000	
360	Pipeline and Electrical ROW and Easements			\$5,000
367	Pipeline Interconnect			
375	Company Supervision		\$10,000	\$7,500
380	Overhead Fixed Rate		\$2,500	\$2,500
398	Well Abandonment		\$12,000	(\$12,000)
399	Contingencies 10% / 10%		\$28,600	\$31,400
Total Intangibles			\$314,900	\$345,100
TANGIBLE COST 181				
797	Conductor Casing 80' 20" (included in location)			
797	Surface Casing 1200' 8 5/8" 24# J-55 @ \$31.80/ft		\$38,200	
797	Intermediate Casing			
797	Intermediate Casing			
797	Production Casing 3,500' 4 1/2" 10.5# J55 LTC @ \$15.63/ft			\$54,700
798	Tubing 3200' 2 3/8" 4.7# J-55 EUE 8rd @ \$6.89/ft			\$22,100
860	Drilling Head 8 5/8" x 4 1/2" Larkin		\$3,500	
870	Tubing Head & Upper Section 4-1/2" x 2 3/8" Larkin			\$3,500
875	Sucker Rods			\$14,600
880	Packer Pump & Subsurface Equipment			\$12,000
884	Artificial Lift Systems			
885	Pumping Unit			\$38,000
886	Surface Pumps & Prime Movers			\$5,000
890	Tanks - Steel Consolidated			\$8,000
891	Tanks - Other Consolidated			\$2,800
895	Separation Equipment Consolidated			\$7,500
896	Gas Treating Equipment			
898	Metering Equipment			\$3,300
900	Line Pipe - Gas Gathering and Transportation			\$3,000
901	Line Pipe - Production			\$1,500
906	Miscellaneous Fittings, Valves & Accessories			\$6,000
909	Electrical Installations			\$20,000
910	Production Equipment Installation			\$7,500
920	Pipeline Construction			\$3,000
Prepared by: <u>M. Young</u> Date Prepared: <u>11/1/2008</u> Total Tangibles			\$41,700	\$212,500
Company Approval: <u>m. white</u> Date Approved: <u>11/1/2008</u> SUBTOTAL			\$356,600	\$557,600
Joint Owner Interest: _____ Joint Owner Amount: _____ TOTAL WELL COST			\$914,200	

Joint Owner: _____ Joint Owner Approval: _____

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MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE



Prospect: Quick Draw 15 Well Name & No: Quick Draw 15 "O" #1
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Section: 15 Block: _____ Survey: _____ Township 20S Range: 25E
County: Eddy ST: NM Proposed Depth: 3500'

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