

POGO PRODUCING COMPANY  
 AUTHORITY FOR EXPENDITURE FOR \$1,256,075  
 GROSS AFE - DETAILED

PAGE: 1

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1  
 WELL: 6122 MCMILLAN 4 FEDERAL COM #1  
 PROSPECT: MCMILLAN PROSPECT  
 FIELD: MCMILLAN MORROW - C/O  
 COUNTY/PARISH: EDDY  
 STATE: NM

OPERATOR: POGO PRODUCING COMPANY  
 AFE TYPE: EXPLORATORY DRILLING  
 DATE: 06/25/03  
 WELL TYPE:  
 FORMATION: MORROW  
 TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'  
 FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
IDC EXPLORATORY DRILLING			
725.471 IDC MOBILIZATION/DEMOB	30,000		30,000
725.472 IDC ROAD, LOC. PITS & KEYWAYS	20,000		20,000
725.473 IDC CEMENTING & CEMENTING SVS.	20,000		20,000
725.474 IDC MUD LOGGING	23,800		23,800
725.475 IDC MUD MATERIALS & CHEMICALS	75,000		75,000
725.478 IDC LOGGING & SIDEWALL CORING	35,000		35,000
725.482 IDC FORMATION TESTING	12,000		12,000
725.488 IDC TOOLS & EQUIPMENT RENTAL	65,000		65,000
725.490 IDC DRILLING DAY RATE	327,600		327,600
725.491 IDC FLOAT EQUIPMENT	2,500		2,500
725.492 IDC BITS, CORE BARRELS, ETC.	40,000		40,000
725.494 IDC OTHER SPECIAL WELL SERV.	10,000		10,000
725.501 IDC COMPANY LABOR	27,300		27,300
725.510 IDC CONTRACT SERVICES & EQUIP.	10,000		10,000
725.528 IDC COMMUNICATION SERVICES	1,500		1,500
725.539 IDC FUEL & POWER	35,000		35,000
725.545 IDC AUTO & TRUCK EXPENSE	3,000		3,000
725.599 IDC MISCELLANEOUS	50,000		50,000
TOTAL IDC EXPLORATORY DRILLING	787,700		787,700
ICC EXPLORATORY COMPLETION			
726.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
726.473 ICC CEMENTING & CEMENTING SVS.		40,000	40,000
726.475 ICC MUD MATERIALS & CHEMICALS		5,500	5,500
726.478 ICC LOGGING & SIDEWALL CORING		2,500	2,500
726.479 ICC PERFORATING		18,000	18,000
726.480 ICC STIMULATION TREATMENT		10,000	10,000
726.484 ICC TESTING TUBULAR GOODS		2,500	2,500
726.488 ICC TOOL & EQUIPMENT RENTAL		5,000	5,000
726.490 ICC COMPLETION RIG		16,000	16,000
726.491 ICC FLOAT EQUIPMENT		7,500	7,500
726.492 ICC BITS, CORE BARRELS, ETC.		500	500
726.494 ICC OTHER SPECIAL WELL SERVICE		2,500	2,500
726.501 ICC COMPANY LABOR		6,500	6,500
726.510 ICC CONTRACT SERVICES & EQUIP.		2,500	2,500
726.545 ICC AUTO & TRUCK		3,000	3,000
726.599 ICC MISCELLANEOUS COST & CONT.		10,000	10,000
TOTAL ICC EXPLORATORY COMPLETION		133,000	133,000
ICC PRODUCTION FACILITIES			
745.472 ICC ROAD, LOC, PITS & KEYWAYS		1,000	1,000
745.510 ICC CONTRACT SERVICES & EQUIP.		12,000	12,000
745.545 ICC AUTO & TRUCK EXPENSE		1,000	1,000
745.566 ICC WELDING SERVICES		2,500	2,500
745.568 ICC PAINTING SERVICES		2,500	2,500
745.599 ICC MISC. COSTS & CONTINGEN.		2,500	2,500
TOTAL ICC PRODUCTION FACILITIES		21,500	21,500
*** TOTAL INTANGIBLES	787,700	154,500	942,200
EXPLORATORY LEASE & WELL			
727.441 LWE SURFACE CASING 250' 13-3/8"	4,250		4,250
727.442 LWE CONDUCTOR PIPE	4,200		4,200
727.443 LWE INTERMEDIATE CASING 3000' 9-5/8"	55,125		55,125

OIL CONSERVATION DIVISION

CASE NUMBER 13216

POGO EXHIBIT NUMBER 5

POGO PRODUCING COMPANY  
AUTHORITY FOR EXPENDITURE FOR \$1,256,075  
GROSS AFE - DETAILED

PAGE: 2

AFE#: 530207 DC MCMILLAN 4 FEDERAL COM #1  
WELL: 6122 MCMILLAN 4 FEDERAL COM #1  
PROSPECT: MCMILLAN PROSPECT  
FIELD: MCMILLAN MORROW - C/O  
COUNTY/PARISH: EDDY  
STATE: NM

OPERATOR: POGO PRODUCING COMPANY  
AFE TYPE: EXPLORATORY DRILLING  
DATE: 06/25/03  
WELL TYPE:  
FORMATION: MORROW  
TOTAL DEPTH: 11,000'

ADDITIONAL COMMENTS: LOCATION OF THE SUBJECT WELL IS 660' FNL & 2550'  
FWL, SECTION 4, T20S, R27E, EDDY COUNTY, NM.

DESCRIPTION	ESTIMATED DRYHOLE	ESTIMATED COMPLETION	TOTAL
727.444   LWE PRODUCTION CASING 11000' 5-1/2"		78,000	78,000
727.445   LWE CASINGHEAD	3,000	2,500	5,500
727.446   LWE XMAS TREE		10,000	10,000
727.447   LWE COMPLETION EQUIPMENT		2,500	2,500
727.448   LWE RETRIEVABLE PACKER		4,500	4,500
727.449   LWE TUBING 10800' 2-7/8"		38,000	38,000
727.469   LWE OTHER MATERIALS & EQUIP.	1,000	2,500	3,500
TOTAL EXPLORATORY LEASE & WELL	67,575	138,000	205,575
LWE PRODUCTION FACILITIES			
746.153   LWE MISC. VALVES & FITTINGS		15,000	15,000
746.438   LWE CORROSION CONTROL SYSTEM		1,500	1,500
746.456   LWE FIELD LINES		5,000	5,000
746.457   LWE TANK, STAIR, WALK & MISC.		19,000	19,000
746.458   LWE SEPARATORS & FITTINGS		2,800	2,800
746.459   LWE HEATERS, TREATERS & CONN.		30,000	30,000
746.469   LWE OTHER MATERIALS & EQUIP.		35,000	35,000
TOTAL LWE PRODUCTION FACILITIES		108,300	108,300
*** TOTAL TANGIBLES	67,575	246,300	313,875
*** TOTAL ESTIMATED COST - GROSS	855,275	400,800	1,256,075

APPROVAL: \_\_\_\_\_

RICHARD L. WRIGHT

DATE: JUNE 25, 2003



AUTHORIZATION: \_\_\_\_\_

JERRY A. COOPER

DATE: JUNE 25, 2003

PARTICIPANT: \_\_\_\_\_

INTEREST: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_