

ESTIMATED WELL COST (100%)

LEASE: White Wing 22 Federal

WELL NO: 13

AFE NO: 1392

LOCATION: C-NW-SW Sec 22-T22S-R26E

PROP. NO:

FIELD: Happy Valley (Morrow) COUNTY: Eddy

STATE: New Mexico

DISTRICT: Western

PURPOSE: To drill and equip an 11,800' Morrow Test

CODE	INTANGIBLE DRILLING COST	ESTIMATED COSTS					
		Dry Hole	Completion	Total			
151-102	Location & Roads, Including Damages	\$15,000	\$0	\$15,000			
151-110	Moving Rig	\$0	\$0	\$0			
151-111	Drilling: 9,000 ft @ \$23.25	\$209,250	\$0	\$209,250			
151-112	Day Work: 18 days @ \$5,500.00	\$99,000	\$11,500	\$110,500			
151-113	Conductor, Rat & Mouse Holes	\$4,000	\$0	\$4,000			
151-114	Drilling Bits	\$27,000	\$0	\$27,000			
151-115	Drilling Water & Fuel, Including Lines	\$7,000	\$3,000	\$10,000			
151-118	Drilling Mud, Additives, Mud Oil, Etc.	\$25,000	\$0	\$25,000			
151-132	Drilling and Completion Insurance	\$4,200	\$0	\$4,200			
151-133	Environmental Protection	\$0	\$0	\$0			
151-180	Safety	\$0	\$0	\$0			
151-126	Open Hole Logging	\$24,000	\$0	\$24,000			
151-152	Mud Logging	\$12,500	\$0	\$12,500			
151-153	Open Hole Testing/Coring	\$8,000	\$0	\$8,000			
151-121	Hauling and Trucking	\$2,000	\$2,000	\$4,000			
151-122	Welding	\$500	\$200	\$700			
151-123	Rental Equipment & Fishing Tools	\$15,000	\$5,000	\$20,000			
151-124	Special Services & Misc. Items	\$5,000	\$2,500	\$7,500			
151-160	Comp. Rig: 5 days @ \$2,000	\$0	\$10,000	\$10,000			
151-164	Cased Hole Logging, Perforating, & Wireline	\$0	\$8,000	\$8,000			
151-165	Acidizing, Fracturing, Chemicals	\$0	\$75,000	\$75,000			
151-166	CO2/Nitrogen	\$0	\$0	\$0			
151-168	Non-Retrieveable Equipment	\$0	\$16,000	\$16,000			
151-125	Roustabout Labor & Services	\$500	\$5,000	\$5,500			
151-127	Casing Crews & Service	\$2,000	\$1,200	\$3,200			
151-161	Frac Pit, Liner, Water, & Disposal	\$0	\$0	\$0			
151-128	Surface Casing Cementing	\$8,000	\$0	\$8,000			
151-129	Intermediate Casing Cementing	\$10,000	\$0	\$10,000			
151-130	Production Casing Cementing	\$18,000	\$0	\$18,000			
151-131	Liner Cementing	\$0	\$9,000	\$9,000			
151-172	Cementing Hardware	\$5,000	\$2,000	\$7,000			
151-173	Other Cementing Related Services	\$0	\$0	\$0			
151-150	Administrative Overhead	\$6,500	\$1,100	\$7,600			
151-151	Supervision, Including Consulting	\$17,200	\$2,800	\$20,000			
151-103	Legal & Land Services	\$5,000	\$1,000	\$6,000			
TOTAL INTANGIBLE WELL COST		\$629,650	\$155,300	\$684,950			
TANGIBLE WELL COST							
	Casing	Aml.	Size	Cost/Ft			
152-235	Surface	500 ft	13 3/8"	\$18.50	\$9,250	\$0	\$9,250
152-236	Intermediate	1,700 ft	9 5/8"	\$12.50	\$21,250	\$0	\$21,250
152-237	Production	9,000 ft	7"	\$10.50	\$94,500	\$0	\$94,500
152-238	Liner	3,050 ft	4 1/2"	\$10.00	\$0	\$28,000	\$28,000
152-240	Tubing	11,700 ft	2-3/8"	\$3.77	\$0	\$44,200	\$44,200
152-260	Wellhead Equipment		& 2 7/8"		\$1,200	\$7,500	\$8,700
152-250	Retrieveable Equipment				\$0	\$5,000	\$5,000
152-211	Flowlines & Connections				\$0	\$5,000	\$5,000
152-215	Storage Tanks & Separation Equipment				\$0	\$15,000	\$15,000
152-220	Pumping Unit				\$0	\$0	\$0
152-225	Pump Engine				\$0	\$0	\$0
152-245	Sucker Rods, Bottom Hole Pump, & Other				\$0	\$0	\$0
TOTAL TANGIBLE WELL COSTS					\$126,200	\$104,700	\$230,900
TOTAL WELL COST					\$655,850	\$260,000	\$915,850

The Above Costs Are Estimates Only. Actual Costs Will Be Billed As Incurred.

Prepared By: Kent Sams *Kent Sams*

Date: 03/04/97

LDNGC APPROVAL

NON-OPERATOR APPROVAL

Approved By: *R. K. Irani*
R. K. Irani, Exec. Vice-President

Approved By: _____

OIL CONSERVATION DIVISION

Title: _____

Date: 3/11/97

Date: _____

EXHIBIT 9

CASE NO. 11858