

AUTHORIZATION FOR EXPENDITURE

Operator: #1 Maneater
 Well: NE/4 Sec 30, T-17-S, R-25-E, 1980' FNL, 1980' FEL
 Location: Eddy County, New Mexico
 County: Eagle Creek (Mor/At/Str/Cisco/WC)
 Objective Zone: Barracuda
 Prospect: 8,400'

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Case No. 12247 Exhibit No. 4
 Submitted by: Ameristate Oil & Gas, Inc.
 Hearing Date: September 16, 1999

	ITEM	TO CASING POINT	COMPLETION	TOTAL WELL
INTANGIBLE COSTS				
Location:	Survey, etc.	600	-	600
	Archaeological Services	750	-	750
	Damages	3,000	2,000	5,000
	Road, pad & cleanup	5,000	2,500	7,500
Drilling:	Footage-8,400'@\$15.75/ft.	132,300	-	132,300
	Daywork-4.0/2.0 @ \$5,000/day	20,000	10,000	30,000
Drilling Fluids:	Mud, oil & chemicals	8,000	-	8,000
	Brine & Water	8,000	1,000	9,000
Cement:	13-3/8"x 17-1/2 x 400' w/equip	4,800	-	4,800
	8-5/8 x 11" x 1200'	10,500	-	10,500
	5-1/2"x 7-7/8' 2 stage w/equip	-	15,000	15,000
Services:	OH Logs:GR-CN-LD,DLL/MSFL,LSS	14,000	-	14,000
	Testing: 2 DST, 4pt.w/BHP	8,000	4,000	12,000
	Csg Crews	-	5,000	5,000
	Pulling unit @ \$1200	-	7,200	7,200
	CBL Log(Pressure) & Perforate	-	7,500	7,500
	Acid & Frac 1 zone W/CO2	-	43,000	43,000
Hauling:	Oil,water,etc.	500	500	1,000
	Equipment	1,500	1,000	2,500
Rental:	Rotating Hd.,PVT,H2S,BOP,etc	8,000	2,500	10,500
	Water storage & test tanks	1,000	1,000	2,000
Supplies:	Sample sx.,pipe dope, etc.	500	500	1,000
Insurance:	Normal,prorated	500	500	1,000
Supervision:	Geological & Mud Logger	7,500	1,500	9,000
	Engineering/drilling 17/7	5,525	2,275	7,800
	Rig housing & communication	1,275	525	1,800
	Overhead	3,100	1,250	4,350
Contingencies:	Welding,packers,taxes,misc	9,000	1,100	10,100
	Other	5,400	2,300	7,700
		\$ 258,750	\$ 112,150	\$ 370,900

TANGIBLE COSTS				
Casing				
Surface:	400' of 13-3/8"@\$16.50/ft.	6,600	-	6,600
Intermediate:	1,200' of 8-5/8"			-
	@ \$6.60/ft. (K-55 24#)	7,920	-	7,920
Production:	8,400' of 5-1/2"			-
	@ \$5.10/ft (17#/15.50)		42,840	42,840
Tubing:	8,400' of 2-3/8" @ \$1.90/ft.		15,460	15,460
Wellheads:	Drilling/completion assembly	8,000	15,000	23,000
Tank Btty.:	2-300 Bbl.(0)1-210 Bbl.FG (W)		8,500	8,500
Stack pack:	Stack pack		12,000	12,000
Flowline:	Fittings, Valves, etc.		2,000	2,000
	Labor & dirt work:		2,000	2,000
	500' @ \$7.00/ft w/Inst/Roustabout		3,500	3,500
Miscellaneous:	Packer, tools, tax, etc.	6,500	16,000	22,500
		\$ 29,020	\$ 117,300	\$ 146,320

TOTAL WELL	\$ 287,770	\$ 229,450	\$ 517,220
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IT IS RECOGNIZED THAT THE AMOUNTS HEREIN ARE ESTIMATES ONLY AND APPROVAL OF THIS AUTHORIZATION SHALL EXTEND TO THE ACTUAL COSTS INCURRED IN CONDUCTING THE OPERATIONS SPECIFIED, MORE OR LESS THAN THAT SET OUT HEREIN