



OXY USA WTP LP
AUTHORITY FOR EXPENDITURE

Region: 14

AFE NO:

Lease/Plant Name: OXY TROMBONE NO. 1
Description: DRILL AND EQUIP
Partnership/Funding: 2001 PLANNED CAPITAL
Location: 660' FSL & 660' FEL, SEC.2, T18S, R25E, EDDY COUNTY, NM

Field: ATOKA-MORROW WEST
Operator Name: OXY USA INC.
Oper AFE No:
State/County No: 30015
Capital Proj No:
Region AFE No: 17788
Production Foreman No: 1446
Lease/Plant CC No:
Co/Div No: 20177
Budget Appr No: 010200

Remarks:

It is proposed to drill and equip the OXY TROMBONE NO. 1 as a Morrow producer. Your approval is requested.

Estimated Cost Detail

	Materials:	Labor Incidentals:	Total:
Gross Cost	167629	683500	851129
Oxy Net Cost@ 33.59375% WI	56313	229613	285926

CONCURRENCES

Asset Team Leader	Business Team Leader	Operations Team Leader	Engineering	Geology	Land	Acctg Team Lead
OXY APPROVAL:			DATE:			
W.I. OWNER APPROVAL:			DATE:			
COMPANY:						

Prepared By: Gary Womack

Date: 29-Mar-01

Phone number: (915) 685-5772



Requested By: T.E.C.A.T.E.
Prepared By: G. WOMACK

OXY USA INC.
DETAILED WELL ESTIMATE

LEASE - WELL NO. OXY TROMBONE NO. 1 DATE: 29-Mar-01
LOCATION 660 FSL & 660 FEL DEPTH: 8,700
S 2 T 18-S R 25-E COUNTY Eddy STATE New Mexico AFE NO.

DESCRIPTION	GRADE	\$/FT	QUAN.	W	ESTIMATE PRODUCER	BEFORE CSG PT	AFTER CSG PT	ACTUAL COST
TANGIBLES								
Casing								
Surface 13-3/8", 48#, H-40 ST&C	A	14.50	400		5,800	5,800		
Intermediate 8-5/8", 32#, K-55 ST&C	A	10.15	1450		14,718	14,718		
Production 4-1/2", 11.6#, N-80 LT&C	A	6.08	8700		52,896		52,896	
Wellhead Connections					10,000	4,000	6,000	
Tubing 2-3/8", 4.7#, N-80		2.79	8500		23,715		23,715	
Sucker Rods								
Bottom Hole Pump								
Engine or Motor								
Pumping Unit								
Electrical Equipment								
Line Pipe & Fittings					5,000		5,000	
Packer and Accessories					8,500		8,500	
TANK BATTERY								
Stock Tanks 2					10,000		10,000	
Separator, Heater Treater, Dehydrator					17,000		17,000	
Meter Run & Housing					5,000		5,000	
Labor & Transportation					15,000		15,000	
Total Tangibles					167,629	24,518	143,111	
INTANGIBLES								
Contract Drilling Labor					304,500	304,500		
Mobilization					20,000	20,000		
Rotary Day Work								
Service Rig Work @ \$1800/day		10			18,000		18,000	
Subsurface Casing Equipment					5,000	2,000	3,000	
D.S.T., Electric, Radioactivity Logs, etc.					18,000	18,000		
Acidizing, Fracing					80,000		80,000	
Perforating					12,000		12,000	
Misc. Company & Contract Labor					15,000	10,000	5,000	
Road Building, Location					30,000	30,000		
Cement & Cementing Services					35,000	20,000	15,000	
Cement Squeeze Jobs								
Drilling Mud, Chemicals					40,000	40,000		
Diamond Coring & Analyses, Bits, Reamers					40,000	40,000		
Mud Logging Unit					11,500	11,500		
Rental of Miscellaneous Equipment					12,000	8,500	3,500	
Contract Hauling					15,000	12,000	3,000	
Water, Fuel					15,000	10,000	5,000	
Miscellaneous Incidentals					10,000	8,000	2,000	
Archaeological Services					2,500	2,500		
Total Intangibles					683,500	537,000	146,500	
Total Estimated Cost - 100%					851,129	561,518	289,611	