

**RICHARDSON OPERATING COMPANY
AUTHORITY FOR EXPEDITURES**

Well Name: RPC 17-4 (PC) well
Location: T29N R13W Section 17 SE/4
Spacing: Pictured Cliffs SE/4 (160 acres)
Proposed Depth: 1150' Pictured Cliffs

Date: 18-Apr-02
Objective Formation: Pictured Cliffs

I. Drilling Costs (Included Run Casing)

Survey and Permits - - - - -
Title Opinion & Land - - - - -
Damages- - - - -
* Drilling (incl. water & mud) 1200' @ 15.00/ft.-
BOP Rental- - - - -
Dirt Work- - - - -
Pit Lining- - - - -
Surface Casing 200' @ 7.65/ft.- - - - -
Casing Head- - - - -
Cement Surface- - - - -
Power Tongs- - - - -
Casing 1200' @ 5.00/ft.- - - - -
Trucking- - - - -
Logs- - - - -
Engineering- - - - -
Cement Longstring- - - - -
Total Cost to Run Casing- - - - -
10% Contingency- - - - -

Grand Total to Run Casing

II. Completion Costs

Rig Anchors- - - - -
Logs- - - - -
Perf- - - - -
Wellhead & Fittings- - - - -
Tubing 1200' @ 2.10/ft.- - - - -
Stimulation- - - - -
Tool Rental- - - - -
Trucking- - - - -
Battery Installation- - - - -
Restore Location- - - - -
Engineering- - - - -
Treator, Separator - - - - -
Flowline- - - - -
Tank & Fittings- - - - -
Gravel- - - - -
Workover Rig- - - - -
Completion Fluids- - - - -
Pipeline Hookup- - - - -
Division Order Opinion - - - - -
Frac Tank Rental- - - - -
Flowback - - - - -
Fence Location- - - - -
Total Completion Costs- - - - -
10% Contingency- - - - -
Drilling Costs- - - - -

Grand Total Well Costs

Tangible	Intangible	Total
	3,000	
	3,000	
	2,000	
	17,250	
	750	
	4,000	
	2,800	
1,530		
1,500		
	2,300	
	1,000	
6,325		
	3,000	
	4,000	
	4,500	
	4,000	
9,355	51,600	60,955
		6,096
		67,051
	750	
	3,000	
	4,000	
4,000		
2,875		
	25,000	
	2,300	
	3,000	
	6,000	
	4,000	
	5,000	
6,000		
4,000		
5,000		
3,000		
	12,000	
	2,000	
	13,000	
	2,000	
	2,000	
	2,000	
5,000		
29,875	86,050	115,925
		11,593
		67,051
		194,568

PICTURED CLIFFS (PC)

1.5039% Howard E Henderson Living Trust dtd 09/24/77
98.4961% Richardson Operating Company et als

Date:

Approved by:

Share of WI Costs:

\$2,926

\$191,642

\$194,568