# BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF NADEL AND GUSSMAN PERMIAN, L.L.C. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. Case No. 12957 (Reopened)

> NESTORA GERMANN Notary Public, State of Texas My Commission Expires AUGUST 27, 2003

### AFFIDAVIT OF SAM H. JOLLIFFE IV

STATE OF TEXAS )	
COUNTY OF MIDLAND )	
Sam H. Jolliffe IV, being dul and states:	y sworn upon his oath, deposes
1. I am over the age of 18, the matters set forth herein.	and have personal knowledge of
2. I am a landman for applic	cant.
3. As I testified in the capplicant has conducted a good fair names and correct addresses of the unit the NE¼ of Section 35, Towns N.M.P.M.	unleased mineral interest owners
4. in addition to the unlocated the following interest own Danny Yost, Dale Yost, Francis Gue Although applicant offered to lease could not obtain oil and gas leases	ernsey, and Dr. Deborah Yarrow. e their interests, we ultimately
5. On November 21, 2002, at well proposals to the above-named pletters are attached hereto as Exh	
6. Applicant has made a go voluntary joinder of the above-name	ood faith effort to obtain the e persons in its proposed well.
	Sam H. Jolliffe IV
SUBSCRIBED AND SWORN TO before 2003, by Sam H. Jolliffe IV.	e me this 19th day of February,  Lestora Lunami  Notary (Public
My Commission Expires:	OIL CONSERVATION DIVISION
NESTOPA GERMANN	CASE NUMBER

601 North Marienfeld, Suite 508 Midland, Texas 79701 Phone: (915) 682-4429 Fax: (915) 682-4325

November 21, 2002

**CERTIFIED MAIL** 

Dr. Deborah Yarrow 121 Harvey Road Central, South Carolina 29630

Re: NE/4 Section 35, T-23-S, 27-E, NMPM Eddy County, New Mexico

Dear Dr. Yarrow:

We are nearing the completion of our leasing efforts for the captioned acreage, and are now proposing the drilling of a well in the near future.

We have enclosed our AFE (Authorization for Expenditure) for the drilling and completion of this well. The estimated cost for drilling and completion is \$1,300,399.00.

You own a .425 mineral acre under the captioned land. You still have the option of leasing your interest under the terms set out in my letter of July 29, 2002. However, you may choose to join in the drilling as a working interest owner and pay your share of the drilling and completion cost, or the plugging and abandonment cost if the well is a dry hole. If you choose not to join or lease, your interest will be "Forced Pooled". Therefore you will receive no revenue if the well is successful until 300% of the cost of drilling, completing and operating the well has been recovered by the operator.

Your timely attention to this matter is important to you. Your early reply will be appreciated. Time is of the essence.

Very truly yours,



#### C'THORITY FOR EXPENDITURE

SSMAN PERMIAN, LLC MIDLAND, TX NADEL AND DATE: 08/16/02 FIELD: Black River Morrow PROSPECT NAME: Palo Duro PREPARED BY: K E McCready LEASENVELL NUMBER: Palo Duro No. 1 LOCATION: 1980 FSL, 660 FEL Sec 35, T23S, R27E COUNTY, STATE: EDDY, NM dsywork contract MOTTOW, ATOKA, DST IN ATOKA SAND ASSUMED PRIMARY OBJECTIVES: SINGLE MORROW SAND COMPL ASSUMED PROJECTED TOTAL DEPTH: 12800 ASSUMES OCD APPROVES CSG PROGRAM AND PROTECTION LINER NOT NEEDED CASING COMPLETION POINT COSTS INTANGIBLE COSTS LEGAL WORK/PERMITTING/SURVEY/STAKING 2000 500 ROW 5000 500 SITE PREPARATION/CLEAN-UP 30000 10000 20000 **RIG MOVES** DRILLING TURN-KEY DRLG COMPL DAYS 3 8000 /DAY 320000 24000 DRILLING DAYWORK 40 DRILLING FOOTAGE FT. @ DRILL PIPE/TOOL RENTAL - INCL IN DAYWORK BID /DAY 0 0 BITS 50000 500 WATER 25000 3500 DIRECTIONAL EQUIP (MONEL COLLAR/ SINGLE SHOT) 250 /DAY 0 0 MUDICHEMICALS/PKR FLUID 60000 2000 MUD LOGGING 25 DAYS @ 500 /DAY 12500 OPEN HOLE LOGGING 25000 STABILIZERS/SHOCK SUBS/ROTATING HEAD DIESEL - INCL IN BID 34000 40 850 /DAY DST'S 1 @ \$4000/TEST 4000 WELDING CASING CREW/TOOLS 5000 CASING CEMENTING 40000 25000 SQUEEZE CMTG/PLUGGING 15000 -15000 TRANSPORTATION 2500 2500 RENTAL TOOLS/EQUIP 5000 COMPLETION RIG 10 DAYS @ 1850 /DAY 18500 PERFORATING/CASED HOLE LOGGING/CIBP/CMT 7500 BREAKDOWN 10000 100000 FRACTURING/STIMULATION FRAC TANKSWATER TRANSPORTS 5000 PIT LINER 4000 LABOR/ROUSTABOUT CREWS 1500 5000 12000 INSURANCE **BOP TESTING - 3RD PARTY** 1200 COLLAR INSPECTION/DAMAGES 3000 TREATING PACKER DRLG COMPL DAYS FIELD SUPERVISION 500 /DAY 21500 5000 ADMINISTRATIVE SERVICES/OVERHEAD 1000 1000 21350 CONTINGENCY 68920 TOTAL INTANGIBLE COSTS 758120 236850 TANGIBLE COSTS 20 40 FT @ 40.13 /FT 1605 CONDUCTOR 13-3/8 17.23 /FT 8614 SURFACE 500 FT @ 9-5/8 INTERMEDIATE 4000 FT @ 13.00 /FT 52000 2 nd INTERMEDIATE 10400 FT @ 104000 7-0 10.00 /FT 19600 4-112 LINER 2800 FT @ 7.00 /FT 12000 FT @ 3.50 /FT 42000 2-7\8 TUBING 0 /FT RODS OFT @ FLOAT EQUIP, DV TOOL, ETC CATTLEGUARDS/GATES 5000 7500 WELLHEAD 7000 PACKER DOWNHOLE PUMP/TAC 1500 1500 FORKLIFT/PIPE RACKS 10000 STOCK TANKSAWATER TANKS **SEPARATORS** 10000 **GPU/TREATER** 5000 VALVES/FITTINGS 2500 FLOWLINE 2500 METER RUN, ETC. MISCELLANEOUS (ROCK, FIREWALL, ETC) 3000 11060 CONTINGENCY 11050 121660 TOTAL TANGIBLE 183769 **TOTAL TANGIBLE/INTANGIBLE** 941889 358510 1300399 TOTAL WELL COST

JOINT INTEREST APPROVAL	NADEL AND GUSSMAN		
COMPANY:	BY: J. S. Milledy		
BY: DATE://	DATE: 8 1 16 102		

601 North Marienfeld, Suite 508 Midland, Texas 79701 Phone: (915) 682-4429 Fax: (915) 682-4325

November 21, 2002

**CERTIFIED MAIL** 

Mr. Francis Guernsey U. S. Hwy. ALA South, Lot #5 St. Augustine, FL 32086

Re: NE/4 Section 35, T-23-S, 27-E, NMPM Eddy County, New Mexico

Dear Mr. Guernsey:

We are nearing the completion of our leasing efforts for the captioned acreage, and are now proposing the drilling of a well in the near future.

We have enclosed our AFE (Authorization for Expenditure) for the drilling and completion of this well. The estimated cost for drilling and completion is \$ 1,300,399.00.

You own 1.54 mineral acres under the captioned land. You still have the option of leasing your interest under the terms set out in my letter of July 2, 2002. However, you may choose to join in the drilling as a working interest owner and pay your share of the drilling and completion cost, or the plugging and abandonment cost if the well is a dry hole. If you choose not to join or lease, your interest will be "Forced Pooled". Therefore you will receive no revenue if the well is successful until 300% of the cost of drilling, completing and operating the well has been recovered by the operator.

Your timely attention to this matter is important to you. Your early reply will be appreciated. Time is of the essence.

Very truly yours,

#### C'THORITY FOR EXPENDITURE

SSMAN PERMIAN, LLC MIDLAND, TX NADEL ANL DATE: 08/16/02 PROSPECT NAME: FIELD: Black River Morrow Palo Duro PREPARED BY: K E McCready LEASE/WELL NUMBER: Palo Duro No. 1 1980 FSL, 660 FEL Sec 35, T23S, R27E LOCATION: dsywork contract COUNTY, STATE: EDDY, NM PRIMARY OBJECTIVES: MOTTOW, ATOKA, DST IN ATOKA SAND ASSUMED SINGLE MORROW SAND COMPL ASSUMED PROJECTED TOTAL DEPTH: 12800 CASING COMPLETION ASSUMES OCD APPROVES CSG PROGRAM AND PROTECTION LINER NOT NEEDED POINT COSTS INTANGIBLE COSTS 500 LEGAL WORK/PERMITTING/SURVEY/STAKING 2000 ROW 5000 500 SITE PREPARATION/CLEAN-UP 30000 10000 20000 **RIG MOVES** DRILLING TURN-KEY DRLG COMPL DAYS DRILLING DAYWORK 8000 /DAY 320000 24000 3 DRILLING FOOTAGE FT. @ /FT DRILL PIPE/TOOL RENTAL - INCL IN DAYWORK BID /DAY 0 ٥ BITS 50000 500 WATER 25000 3500 DIRECTIONAL EQUIP (MONEL COLLAR/ SINGLE SHOT) 250 /DAY 0 0 MUDICHEMICALS/PKR FLUID 60000 2000 MUD LOGGING 25 DAYS @ 500 /DAY 12500 OPEN HOLE LOGGING 25000 STABILIZERS/SHOCK SUBS/ROTATING HEAD DIESEL - INCL IN BID 40 850 /DAY 34000 DST'S 1 @ \$4000/TEST 4000 WELDING CASING CREW/TOOLS 5000 CASING CEMENTING 40000 25000 SQUEEZE CMTG/PLUGGING 15000 -15000 TRANSPORTATION 2500 2500 RENTAL TOOLS/EQUI 5000 COMPLETION RIG 1850 /DAY 18500 10 DAYS @ PERFORATING/CASED HOLE LOGGING/CIBP/CMT 7500 BREAKDOWN 10000 FRACTURING/STIMULATION 100000 FRAC TANKSAWATER TRANSPORTS 5000 PIT LINER 4000 LABOR/ROUSTABOUT CREWS 1500 5000 INSURANCE 12000 BOP TESTING - 3RD PARTY 1200 COLLAR INSPECTION/DAMAGES 3000 TREATING PACKER DRLG COMPL DAYS FIELD SUPERVISION 21500 5000 500 /DAY ADMINISTRATIVE SERVICES/OVERHEAD 1000 1000 CONTINGENCY 68920 21350 TOTAL INTANGIBLE COSTS 758120 236850 **TANGIBLE COSTS** 20" 1605 CONDUCTOR 40 FT @ 40.13 IFT 13-3/8 500 FT @ 17.23 /FT 8614 SURFACE 9-5/8 4000 FT @ 52000 INTERMEDIATE 13,00 /FT 7-0 10.00 /FT 104000 2 nd INTERMEDIATE 10400 FT @ 2800 FT @ 4112 7.00 /FT 19600 LINER 2-7\8 TUBING 12000 FT @ 3.50 /FT 42000 7 RODS OFT @ FLOAT EQUIP, DV TOOL, ETC **CATTLEGUARDS/GATES** 5000 7500 WELLHEAD 7000 PACKER DOWNHOLE PUMP/TAC 1500 1500 FORKLIFT/PIPE RACKS STOCK TANKSWATER TANKS 10000 **SEPARATORS** 10000 **GPU/TREATER** 5000 **VALVES/FITTINGS** 2500 FLOWLINE 2500 METER RUN, ETC. 3000 MISCELLANEOUS (ROCK, FIREWALL, ETC) 11050 11060 CONTINGENCY TOTAL TANGIBLE 183769 121660 358510 TOTAL TANGIBLE/INTANGIBLE 941889

JOINT INTEREST APPROVAL	NADEL AND GUSSMAN		
COMPANY:	BY: 75 5 milrendy		
BY: DATE:/	DATE: 816102		

1300399

TOTAL WELL COST

601 North Marienfeld, Suite 508 Midland, Texas 79701 Phone: (915) 682-4429 Fax: (915) 682-4325

November 21, 2002

**CERTIFIED MAIL** 

Mr. Dale Yost 1801 Winged Foot Court Jeffersonville, Indiana 74130

Re: NE/4 Section 35, T-23-S, 27-E, NMPM Eddy County, New Mexico

Dear Mr. Yost:

We are nearing the completion of our leasing efforts for the captioned acreage, and are now proposing the drilling of a well in the near future.

We have enclosed our AFE (Authorization for Expenditure) for the drilling and completion of this well. The estimated cost for drilling and completion is \$ 1,300,399.00.

You own a .64 mineral acre under the captioned land. You still have the option of leasing your interest under the terms set out in my letter of August 14, 2002. However, you may choose to join in the drilling as a working interest owner and pay your share of the drilling and completion cost, or the plugging and abandonment cost if the well is a dry hole. If you choose not to join or lease, your interest will be "Forced Pooled". Therefore you will receive no revenue if the well is successful until 300% of the cost of drilling, completing and operating the well has been recovered by the operator.

Your timely attention to this matter is important to you. Your early reply will be appreciated. Time is of the essence.

Very truly yours

#### C'THORITY FOR EXPENDITURE

SSMAN PERMIAN, LLC MIDLAND, TX NADEL ANL DATE: 08/16/02 FIELD: Black River Morrow PROSPECT NAME: Palo Duro PREPARED BY: K E McCready LEASE/WELL NUMBER: Palo Duro No, 1 1980 FSL, 660 FEL Sec 35, T23S, R27E LOCATION: COUNTY, STATE: EDDY, NM dsywork contract PRIMARY OBJECTIVES: MOTTOW, ATOKA, DST IN ATOKA SAND ASSUMED PROJECTED TOTAL DEPTH: 12800 SINGLE MORROW SAND COMPL ASSUMED COMPLETION ASSUMES OCD APPROVES CSG PROGRAM AND PROTECTION LINER NOT NEEDED CASING POINT COSTS INTANGIBLE COSTS LEGAL WORK/PERMITTING/SURVEY/STAKING 2000 500 ROW 5000 500 SITE PREPARATION/CLEAN-UP 30000 10000 **RIG MOVES** 20000 DRILLING TURN-KEY DRLG COMPL DAYS DRILLING DAYWORK 8000 /DAY 320000 24000 DRILLING FOOTAGE FT. @ **/FT** 0 DRILL PIPE/TOOL RENTAL - INCL IN DAYWORK BID 0 /DAY 50000 500 RITS WATER 25000 3500 DIRECTIONAL EQUIP (MONEL COLLAR/ SINGLE SHOT) ٥ 250 /DAY 0 MUD/CHEMICALS/PKR FLUID 2000 60000 MUD LOGGING 25 DAYS @ 500 /DAY 12500 **OPEN HOLE LOGGING** 25000 STABILIZERS/SHOCK SUBS/ROTATING HEAD DIESEL - INCL IN BID 40 850 /DAY 34000 DST'S 1 @ \$4000/TEST 4000 WELDING CASING CREW/TOOLS 5000 CASING CEMENTING 40000 25000 SQUEEZE CMTG/PLUGGING 15000 -15000 TRANSPORTATION 2500 2500 RENTAL TOOLS/EQUIP 5000 1850 /DAY **COMPLETION RIG** 10 DAYS @ 18500 PERFORATING/CASED HOLE LOGGING/CIBP/CMT 7500 10000 BREAKDOWN FRACTURING/STIMULATION 100000 FRAC TANKSWATER TRANSPORTS 5000 PIT LINER 4000 LABOR/ROUSTABOUT CREWS 1500 5000 INSURANCE 12000 **BOP TESTING - 3RD PARTY** 1200 **COLLAR INSPECTION/DAMAGES** 3000 TREATING PACKER DRLG COMPL DAYS FIELD SUPERVISION 10 21500 5000 43 500 /DAY **ADMINISTRATIVE SERVICES/OVERHEAD** 1000 1000 CONTINGENCY 21350 68920 **TOTAL INTANGIBLE COSTS** 758120 236850 **TANGIBLE COSTS** 1605 20" CONDUCTOR 40 FT @ 40.13 /FT 13-3/8 500 FT @ 8614 17.23 /FT SURFACE 9-5/8 INTERMEDIATE 4000 FT @ 13.00 /FT 52000 10400 FT @ 7-0 10.00 /FT 104000 2 nd INTERMEDIATE 19600 4-112" LINER 2800 FT @ 7.00 /FT 12000 FT @ 2-7/8 3.50 /FT 42000 TUBING Ö RODS OFTE 0 FT FLOAT EQUIP, DV TOOL, ETC CATTLEGUARDS/GATES WELLHEAD 5000 7500 PACKER 7000 DOWNHOLE PUMP/TAC 1500 1500 FORKLIFT/PIPE RACKS STOCK TANKSWATER TANKS 10000 SEPARATORS **GPU/TREATER** 10000 5000 VALVES/FTITINGS 2500 FLOWLINE 2500 METER RUN, ETC. MISCELLANEOUS (ROCK, FIREWALL, ETC) 3000 CONTINGENCY 11050 11060 121660 TOTAL TANGIBLE 183769

JOINT INTEREST APPROVAL	NADEL AND GUSSMAN		
COMPANY:	BY: 75 5 milledy		
BY: DATE://	DATE: 81/6102		

TOTAL TANGIBLE/INTANGIBLE

TOTAL WELL COST

358510

1300399

941889

601 North Marienfeld, Suite 508 Midland, Texas 79701 Phone: (915) 682-4429 Fax: (915) 682-4325

November 21, 2002

**CERTIFIED MAIL** 

Mr. Danny Yost 601 Nevada Drive Sellersburg, Indiana 74172

Re: NE/4 Section 35, T-23-S, 27-E, NMPM Eddy County, New Mexico

Dear Mr. Yost:

We are nearing the completion of our leasing efforts for the captioned acreage, and are now proposing the drilling of a well in the near future.

We have enclosed our AFE (Authorization for Expenditure) for the drilling and completion of this well. The estimated cost for drilling and completion is \$1,300,399.00.

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Very truly yours,

#### THORITY FOR EXPENDITURE

NADEL AND

### SSMAN PERMIAN, LLC MIDLAND, TX

08/16/02 DATE: FIELD: Black River Morrow PROSPECT NAME: Palo Duro PREPARED BY: K E McCready LEASEWELL NUMBER: Palo Duro No, 1 1980 FSL, 660 FEL Sec 35, T23S, R27E LOCATION: EDDY, NM dsywork contract COUNTY, STATE: MOTTOW, ATOKA, DST IN ATOKA SAND ASSUMED PRIMARY OBJECTIVES: SINGLE MORROW SAND COMPL ASSUMED PROJECTED TOTAL DEPTH: 12800 COMPLETION CASING ASSUMES OCO APPROVES CSG PROGRAM AND PROTECTION LINER NOT NEEDED POINT INTANGIBLE COSTS COSTS 500 LEGAL WORK/PERMITTING/SURVEY/STAKING 2000 ROW 5000 500 SITE PREPARATION/CLEAN-UP 30000 10000 **RIG MOVES** 20000 DRILLING TURN-KEY DRLG COMPL DAYS 3 8000 /DAY 320000 24000 DRILLING DAYWORK 40 DRILLING FOOTAGE FT. @ **I**FT Ó DRILL PIPE/TOOL RENTAL - INCL IN DAYWORK BID /DAY ō 0 50000 500 BITS WATER 25000 3500 250 /DAY DIRECTIONAL EQUIP (MONEL COLLAR/ SINGLE SHOT) 0 0 MUDICHEMICALS/PKR FLUID 60000 2000 MUD LOGGING 25 DAYS @ 500 /DAY 12500 OPEN HOLE LOGGING 25000 STABILIZERS/SHOCK SUBS/ROTATING HEAD 850 /DAY 34000 DIESEL - INCL IN BID 40 DST'S 1 @ \$4000/TEST 4000 WFI DING CASING CREW/TOOLS 5000 CASING CEMENTING 40000 25000 SQUEEZE CMTG/PLUGGING 15000 -15000 TRANSPORTATION 2500 2500 RENTAL TOOLS/EQUIP 5000 COMPLETION RIG 10 DAYS @ 1850 /DAY 18500 PERFORATING/CASED HOLE LOGGING/CIBP/CMT 7500 BREAKDOWN 10000 FRACTURING/STIMULATION 100000 FRAC TANKSWATER TRANSPORTS 5000 PIT LINER 4000 LABOR/ROUSTABOUT CREWS 1500 5000 INSURANCE 12000 **BOP TESTING - 3RD PARTY** 1200 COLLAR INSPECTION/DAMAGES 3000 TREATING PACKER DRLG COMPL DAYS 500 /DAY 21500 FIELD SUPERVISION 10 5000 43 **ADMINISTRATIVE SERVICES/OVERHEAD** 1000 1000 CONTINGENCY 68920 21350 TOTAL INTANGIBLE COSTS 758120 236850 **TANGIBLE COSTS** 1605 20 CONDUCTOR 40 FT @ 40.13 FT 17.23 /FT 8614 13-3/8 SURFACE 500 FT @ 9-5/8 INTERMEDIATE 4000 FT @ 13.00 /FT 52000 10400 FT @ 7-0 2 nd INTERMEDIATE 10.00 /FT 104000 2800 FT @ 19600 4-112 LINER 7.00 /FT 3.50 FT 42000 2-7\8 TUBING 12000 FT @ OFT @ Q /FT ō RODS FLOAT EQUIP, DV TOOL, ETC CATTLEGUARDS/GATES 7500 5000 WELLHEAD 7000 PACKER DOWNHOLE PUMP/TAC 1500 FORKLIFT/PIPE RACKS 1500 STOCK TANKSWATER TANKS 10000 SEPARATORS **GPU/TREATER** 10000 5000 VALVES/FITTINGS 2500 FLOWLINE METER RUN, ETC. 2500 MISCELLANEOUS (ROCK, FIREWALL, ETC) 3000 CONTINGENCY 11050 11060 TOTAL TANGIBLE 183769 121660 TOTAL TANGIBLE/INTANGIBLE 941889 358510 TOTAL WELL COST 1300399

JOINT INTEREST APPROVAL	NADEL AND GUSSMAN		
COMPANY:	BY: J. 5 milledy		
BY:DATE:/	DATE: 816102		

601 North Marienfeld, Suite 508 Midland, Texas 79701 Phone: (915) 682-4429 Fax: (915) 682-4325

November 21, 2002

**CERTIFIED MAIL** 

Mr. and Mrs. Bright 815 East County Road, 55 South North Vernon, Indiana 47256

Re: NE/4 Section 35, T-23-S, 27-E, NMPM Eddy County, New Mexico

Dear Mr. and Mrs. Bright:

We are nearing the completion of our leasing efforts for the captioned acreage, and are now proposing the drilling of a well in the near future.

We have enclosed our AFE (Authorization for Expenditure) for the drilling and completion of this well. The estimated cost for drilling and completion is \$1,300,399.00.

You own 1.276 mineral acres under the captioned land. You still have the option of leasing your interest under the terms set out in my letter of June 12, 2002. However, you may choose to join in the drilling as a working interest owner and pay your share of the drilling and completion cost, or the plugging and abandonment cost if the well is a dry hole. If you choose not to join or lease, your interest will be "Forced Pooled". Therefore you will receive no revenue if the well is successful until 300% of the cost of drilling, completing and operating the well has been recovered by the operator.

Your timely attention to this matter is important to you. Your early reply will be appreciated. Time is of the essence.

Very truly yours,

Frank K. Wolfe

#### SSMAN PERMIAN, LLC MIDLAND, TX NADEL ANL

PROSPECT NAME: LEASEWELL NUMBER: Palo Duro

FIELD: Black River Morrow

DATE: PREPARED BY: K E McCready

08/16/02

1300399

LOCATION:

TOTAL WELL COST

Palo Duro No, 1

1980 FSL, 660 FEL Sec 35, T23S, R27E

dsywork contract

COUNTY, STATE: PRIMARY OBJECTIVES:

EDDY, NM MOTTOW, ATOKA, DST IN ATOKA SAND ASSUMED

PROJECTED TOTAL DEPTH: 12800

SINGLE MORROW SAND COMPL ASSUMED

	DEPTH: 12800		W SAND COMPL	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	<del></del>	
INTANGIBLE COSTS	ASSUMES OCO APPROVES CSG PROGRAM AND PROTECTION LINER NOT NEEDED INTANGIBLE COSTS			CASING POINT	COMPLETION COSTS	
	TTING/SURVEY/STAKING			2000	500	
ROW				5000	500	
SITE PREPARATION	CLEAN-UP			30000	10000	***************************************
RIG MOVES				20000		
DRILLING TURN-KEY	· · · · · · · · · · · · · · · · · · ·	DRLG COMPL	DAYS			
DRILLING DAYWORK		40	3 8000 /DAY	320000	24000	
DRILLING FOOTAGE		FT. <b>(2</b> )	/FT	. 0		
DRILL PIPE/TOOL REI	NTAL - INCL IN DAYWORK BID	Q	/DAY	0		
BITS				50000	500	
WATER				25000	3500	
	(MONEL COLLAR/ SINGLE SHOT	) 0	250 /DAY	0		
MUDICHEMICALS/PKR	₹ FLUID			60000	2000	
MUD LOGGING		25 DAYS @	500 /DAY	12500		
OPEN HOLE LOGGING				25000		
	SUBS/ROTATING HEAD			<u> </u>		
DIESEL - INCL IN BID		40	850 /DAY	34000		
DST'S 1 @ \$4000/TES	T			4000		
WELDING						
CASING CREW/TOOL				<u> </u>	5000	
CASING CEMENTING				40000	25000	
SQUEEZE CMTG/PLU	GGING			15000	-15000	
TRANSPORTATION				2500	2500	
RENTAL TOOLS/EQUI	P			L	5000	
COMPLETION RIG		10 DAYS @	1850 /DAY	ļ	18500	
	D HOLE LOGGING/CIBP/CMT				7500	
BREAKDOWN		<del></del>		ļ	10000	
FRACTURING/STIMUL				<b></b>	100000	
FRAC TANKSWATER	TRANSPORTS			4000	5000	
PIT LINER LABOR/ROUSTABOUT	CODD46	<del></del>		1500	5000	
INSURANCE	CREWS			12000	<del></del>	
BOP TESTING - 3RD P	PARTY			1200		
COLLAR INSPECTION		· · · · · · · · · · · · · · · · · · ·		3000		
TREATING PACKER		DRLG COMPL	DAYS		<del></del>	
FIELD SUPERVISION	**************************************		0 500 /DAY	21500	5000	
ADMINISTRATIVE SER	MCES/OVERHEAD	<del></del>		1000	1000	
CONTINGENCY				68920	21350	
	TOTAL INTANGIBLE COS	STS .		758120	236850	
				1	<b>!</b>	
TANGIBLE COSTS				l .		
20"	CONDUCTOR	40 FT @	40.13 /FT	1605		
20"	CONDUCTOR SURFACE		40.13 /FT 17.23 /FT	1605 8614		
20° - 13-3/8		500 FT @				• :
20"	SURFACE	500 FT @ 4000 FT @ 10400 FT @	17.23 /FT	8614		• 1
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2" -	SURFACE INTERMEDIATE	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @	17.23 /FT 13.00 /FT	8614 52000	19600	• :
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE	500 FT @ 4000 FT @ 10400 FT @	17.23 /FT 13.00 /FT 10.00 /FT	8614 52000	19600 42000	• :
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1\2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @	17.23 /FT 13.00 /FT 10.00 /FT 7.00 /FT	8614 52000		
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2"	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000		
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1\2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	42000	
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000	7500	
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	42000	
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1\2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL CATTLEGUARDS/GATES WELLHEAD	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	7500 7000	
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC FORKLIFT/PIPE RACKS	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	7500 7000	
20" - 13-3/8" - 9-5/8" - 7-0" - 1-1/2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	7500 7000	
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC FORKLIFT/PIPE RACKS	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	7500 7000 1500 10000	• :
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1\2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC FORIGIFT/PIPE RACKS STOCK TANKS/WATER 1 SEPARATORS GPU/TREATER	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	7500 7000 1500 10000	• :
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2"	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC FORKLIFT/PIPE RACKS STOCK TANKS/WATER 1 SEPARATORS	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	7500 7000 1500 10000	
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2"	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC FORIGIFT/PIPE RACKS STOCK TANKS/WATER 1 SEPARATORS GPU/TREATER	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	7500 7000 1500 10000	
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2"	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC FORKLIFT/PPE RACKS STOCK TANKS/WATER I SEPARATORS GPU/TREATER VALVES/FITTINGS	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	42000 0 7500 7000 1500 10000	
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1\2" -	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC FORKLIFT/PIPE RACKS STOCK TANKS/WATER 1 SEPARATORS GPUTREATER VALVES/FITTINGS FLOWLINE METER RUN, ETC.	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @ ETC	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	42000 0 7500 7000 1500 10000 10000 5000 2500	
20"	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGLIAROS/GATES WELLHEAD PACKER DOWNHOLE PUMPITAC FORIGIFT/PIPE RACKS STOCK TANKS/WATER I SEPARATORS GPUTTREATER VALVES/FITTINGS FLOWLINE METER RUN, ETC. MISCELLANEOUS (ROCK)	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @ ETC	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	8614 52000 104000	42000 0 7500 7000 1500 10000 10000 5000 2500 2500	
20"	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC FORKLIFT/PIPE RACKS STOCK TANKS/WATER 1 SEPARATORS GPUTREATER VALVES/FITTINGS FLOWLINE METER RUN, ETC.	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @ ETC	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	\$614 \$2000 104000 \$5000 1500	42000 0 7500 7000 1500 10000 10000 5000 2500 2500 2500 3000 11060	
20" - 13-3/8" - 9-5/8" - 7-0" - 4-1/2"	SURFACE INTERMEDIATE 2 nd INTERMEDIATE LINER TUBING RODS FLOAT EQUIP, DV TOOL, CATTLEGUARDS/GATES WELLHEAD PACKER DOWNHOLE PUMP/TAC FORKLIFT/PIPE RACKS STOCK TANKS/WATER T SEPARATORS GPU/TREATER VALVES/FITTINGS FLOWLINE METER RUN, ETC. MISCRELANEOUS (ROCK CONTINGENCY	500 FT @ 4000 FT @ 10400 FT @ 2800 FT @ 12000 FT @ 0 FT @ ETC	17.23 ÆT 13.00 ÆT 10.00 ÆT 7.00 ÆT 3.50 ÆT	\$614 52000 104000 5000	42000 0 7500 7000 1500 10000 10000 5000 2500 2500 2500	

JOINT INTEREST APPROVAL	NADEL AND GUSSMAN
COMPANY:	BY: 55 5 Military
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