



**DRILLING AFE**  
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

FORMERLY W-01

PROPERTY NO.		<input type="checkbox"/> EMS	<input type="checkbox"/> ITS	AFE NO. <b>T-02-0092</b>	<b>-D</b>
COUNTY/STATE	<b>LEA / NEW MEXICO</b>	MIDLAND		DATE <b>04/24/02</b>	
LEASE NAME	<b>STATE 'A'</b>	WELL NO. <b>6</b>	FIELD <b>HOBBS DRINKARD</b>		
PROSPECT/LEASE #	<b>HOBBS INFILL</b>	LEGAL / ZIP CODE	<b>SEC 32, T-18S, R-38 E</b>		
OPERATOR	<b>APACHE CORPORATION</b>	APACHE W/	<b>100.000000%</b>		
OBJECTIVE	<b>7,150' - DRINKARD</b>	PROSPECT #			
FOCUS AREA		API #			
ESTIMATED PROJECT START DATE		ESTIMATED PROJECT COMPLETION DATE			
DESCRIPTION					
Drill straight hole to 7150'					
990' FNL & 1817' FEL					

**DRILLING - INTANGIBLE DEVELOPMENT COSTS**

ACCT	DESCRIPTION	BUDGET	SUPPLEMENT	TOTAL WELL COST
70002	AIR TRANSPORTATION	0	0	0
70003	BITS, COREHEADS AND REAMERS	0	0	0
70004	CASING CREWS	0	0	0
70005	CATERING AND GROCERIES	0	0	0
70006	CEMENT AND CEMENTING SERVICES	9,000	0	9,000
70009	COMPANY LABOR	0	0	0
70011	COMPANY SUPERVISION	500	0	500
70012	COMPANY VEHICLE EXPENSE	500	0	500
70019	CONTRACT DRILLING - DAYWORK 1 @ \$6,000/DAY	6,000	0	6,000
70020	CONTRACT DRILLING - FOOTAGE - \$16/Ft.	114,400	0	114,400
70017	CONTRACT LABOR	3,000	0	3,000
70021	CONTRACT SUPERVISION	11,000	0	11,000
70022	DIRECTIONAL TOOLS	0	0	0
70025	DRILLING FLUIDS	6,000	0	6,000
65506	DRILLING OVERHEAD	8,000	0	8,000
70059	DRY HOLE PLUGGING	0	0	0
70031	EQUIPMENT RENTAL	4,000	0	4,000
70033	FILTRATION	0	0	0
70035	FORMATION TESTING	0	0	0
70037	FUEL AND POWER	0	0	0
70039	GEOLOGICAL AND ENGINEERING	0	0	0
70045	INSURANCE	0	0	0
70046	LAND AND SITE RECLAMATION	4,500	0	4,500
70047	LEGAL AND CURATIVE	1,000	0	1,000
70049	LOGGING	13,000	0	13,000
70050	MARINE TRANSPORTATION	0	0	0
70054	OTHER INTANGIBLE	11,000	0	11,000
70064	RIG MOBILIZATION	0	0	0
70065	ROADS AND SITE PREPARATION	12,000	0	12,000
70069	SNUBBING/COIL TUBING UNIT	0	0	0
70073	TAX ON EQUIPMENT	0	0	0
70074	TRUCKING AND HAULING	1,000	0	1,000
70076	TUBULAR INSPECTIONS	600	0	600
70077	WATER	13,000	0	13,000
70078	WELLSITE LOSS AND DAMAGES	5,500	0	5,500
	SUB-TOTAL INTANGIBLE DEVELOPMENT COSTS	224,000	0	224,000



COMPLETION AFE  
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

PROPERTY NO.	0	<input type="checkbox"/> EMS	<input type="checkbox"/> ITS	AFE NO.	T-02-0092	-C
COUNTY/STATE	LEA / NEW MEXICO	DISTRICT	MIDLAND	DATE	04/24/02	
LEASE NAME	STATE 'A'	WELL NO.	6	FIELD	HOBBS DRINKARD	
PROSPECT/LEASE #	HOBBS INFILL	LEGAL / ZIP CODE	SEC 32, T-18S, R-38 E		<input type="checkbox"/> ORIGINAL <input type="checkbox"/> SUPPLEMENT  <input type="checkbox"/> EXPLORATION <input checked="" type="checkbox"/> DEVELOPMENT <input type="checkbox"/> PUD	
OPERATOR	APACHE CORPORATION	APACHE WI	100.000000%			
OBJECTIVE	7,150' - DRINKARD	PROSPECT #				
FOCUS AREA	0	API #	0			
ESTIMATED PROJECT START DATE		01/00/00	ESTIMATED PROJECT COMPLETION DATE		01/00/00	
DESCRIPTION						

COMPLETION - INTANGIBLE DEVELOPMENT COSTS

ACCT	DESCRIPTION	BUDGET	SUPPLEMENT	TOTAL WELL COST
0002	AIR TRANSPORTATION	0	0	0
70003	BITS, COREHEADS AND REAMERS	200	0	200
70004	CASING CREWS	0	0	0
70005	CATERING AND GROCERIES	0	0	0
70006	CEMENT AND CEMENTING SERVICES	18,000	0	18,000
70009	COMPANY LABOR	0	0	0
70011	COMPANY SUPERVISION	3,600	0	3,600
70012	COMPANY VEHICLE EXPENSE	0	0	0
70019	CONTRACT DRILLING - DAYWORK/TURKEY	20,000	0	20,000
70020	CONTRACT DRILLING - FOOTAGE	0	0	0
70017	CONTRACT LABOR	7,000	0	7,000
70021	CONTRACT SUPERVISION	0	0	0
70022	DIRECTIONAL TOOLS	0	0	0
70025	DRILLING FLUIDS	0	0	0
65506	DRILLING OVERHEAD	0	0	0
70059	DRY HOLE PLUGGING	0	0	0
70031	EQUIPMENT RENTAL	13,000	0	13,000
70033	FILTRATION	0	0	0
70034	FORMATION STIMULATION	100,000	0	100,000
70035	FORMATION TESTING	0	0	0
70037	FUEL AND POWER	0	0	0
70039	GEOLOGICAL AND ENGINEERING	0	0	0
70040	GRAVEL PACK SERVICES	0	0	0
00045	INSURANCE	0	0	0
70046	LAND AND SITE RECLAMATION	0	0	0
70047	LEGAL AND CURATIVE	0	0	0
70049	LOGGING	20,000	0	20,000
70050	MARINE TRANSPORTATION	0	0	0
70054	OTHER INTANGIBLE	0	0	0
70064	RIG MOBILIZATION	0	0	0
70065	ROADS AND SITE PREPARATION	0	0	0
70069	SNUBBING/COIL TUBING UNIT	0	0	0
70073	TAX ON EQUIPMENT	0	0	0
70074	TRUCKING AND HAULING	2,200	0	2,200
70075	TUBING CONVEY PERFORATING	0	0	0
70076	TUBULAR INSPECTIONS	1,100	0	1,100
70077	WATER	2,500	0	2,500
70078	WELLSITE LOSS AND DAMAGES	0	0	0
	SUB-TOTAL INTANGIBLE DEVELOPMENT COSTS	187,600	0	187,600

COMPLETION - TANGIBLE MATERIAL COSTS

ACCT	DESCRIPTION	BUDGET	SUPPLEMENT	TOTAL WELL COST
71024	LINER HANGERS	0	0	0
71025	LINERS - DRILLING OR PRODUCTION	0	0	0
71032	OTHER SUBSURFACE EQUIPMENT	0	0	0
71040	PRODUCTION CASING 7,150' - 5-1/2" 17# J55 LTC	34,000	0	34,000
71048	SUCKER RODS	20,000	0	20,000
71053	TUBING	25,000	0	25,000
71056	WELLHEAD ASSEMBLY	4,500	0	4,500
	SUB-TOTAL TANGIBLE MATERIAL COSTS	83,500	0	83,500
	SUB-TOTAL INTANGIBLE COSTS (PAGE 1)	187,600	0	187,600
	GRAND TOTAL	271,100	0	271,100
	LESS OUTSIDE INTERESTS	0	0	0
	TOTAL NET COSTS	271,100	0	271,100

PREPARED BY	BILL COPPOC	DATE
APPROVED BY	TIM WALL	5/1/02
APPROVED BY	ROB JOHNSTON	5/2/02
APPROVED BY	RODNEY MYERS	5/6/02
APPROVED BY		DATE
APPROVED BY		DATE

A.	GROSS ORIGINAL AFE AMOUNT	271,100
B.	APACHE ORIGINAL NET AFE AMOUNT	271,100
C.	NET ASSET TRANSFERS	
D.	TOTAL ORIGINAL NET AFE (LINE B PLUS LINE C)	271,100
E.	GROSS SUPPLEMENTS	0
F.	APACHE TOTAL NET AFE AMOUNT	271,100
	IN BUDGET	NOT IN BUDGET

Notice to Nonoperators: Costs shown on this form estimates only.  
Nonoperators should not consider these estimates as establishing  
any limit on monies which will be required to perform the proposed operation.

COMPANY	WORKING INTEREST	APPROVED BY	DATE

COMMENTS:



EQUIPMENT AFE  
ESTIMATE OF COSTS AND AUTHORIZATION { EXPENDITURE

PROPERTY NO.	0	<input type="checkbox"/> EMS	<input type="checkbox"/> ITS	AFE NO.	T-02-0092	-E
COUNTY/STATE	LEA / NEW MEXICO	DISTRICT	MIDLAND	DATE	04/24/02	
LEASE NAME	STATE 'A'	WELL NO.	6	FIELD	HOBBS DRINKARD	
PROSPECT/LEASE #	HOBBS INFILL	LEGAL / ZIP CODE	SEC 32, T-18S, R-38 E		<div><input type="checkbox"/> ORIGINAL <input type="checkbox"/> SUPPLEMENT</div> <div><input type="checkbox"/> EXPLORATION <input checked="" type="checkbox"/> DEVELOPMENT <input type="checkbox"/> PUD</div>	
OPERATOR	APACHE CORPORATION	APACHE WI	100.000000%			
OBJECTIVE	7,150' - DRINKARD	PROSPECT #				
FOCUS AREA	0	API #	0			
ESTIMATED PROJECT START DATE		01/00/00		ESTIMATED PROJECT COMPLETION DATE		01/00/00
DESCRIPTION						

EQUIPMENT - TANGIBLE MATERIAL COSTS

ACCT	DESCRIPTION	BUDGET	SUPPLEMENT	TOTAL WELL COST
71001	ARTIFICIAL LIFT EQUIPMENT	55,000	0	55,000
71005	COMPRESSOR STATIONS	0	0	0
71008	DEHYDRATION / AMINE UNITS	0	0	0
71012	FLOW LINES TO BATTERY	7,500	0	7,500
71017	HIGH PRESSURE KNOCK-OUT	0	0	0
71007	ONSHORE PLATFORM	0	0	0
71033	OTHER SURFACE EQUIPMENT	9,000	0	9,000
71039	PRIME MOVER	0	0	0
71043	PUMPS	4,000	0	4,000
71045	SALES LINE	0	0	0
71046	SEPARATORS	0	0	0
71051	TANK BATTERY	0	0	0
71052	TREATERS	0	0	0
	SUB-TOTAL TANGIBLE MATERIAL COSTS	75,500	0	75,500
	GRAND TOTAL	75,500	0	75,500
	LESS OUTSIDE INTERESTS	0	0	0
	TOTAL NET COSTS	75,500	0	75,500

PREPARED BY	BILL COPPOC	DATE		A. GROSS ORIGINAL AFE AMOUNT	75,500
APPROVED BY	TIM WALL <i>[Signature]</i>	DATE	5/6/02	B. APACHE ORIGINAL NET AFE AMOUNT	75,500
APPROVED BY	ROB JOHNSTON <i>[Signature]</i>	DATE	5/2/02	C. NET ASSET TRANSFERS	
APPROVED BY	RODNEY MYERS <i>[Signature]</i>	DATE	5/6/02	D. TOTAL ORIGINAL NET AFE (LINE B PLUS LINE C)	75,500
APPROVED BY		DATE		E. GROSS SUPPLEMENTS	0
APPROVED BY		DATE		F. APACHE TOTAL NET AFE AMOUNT	75,500

IN BUDGET	NOT IN BUDGET

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COMPANY	WORKING INTEREST	APPROVED BY	DATE

COMMENTS: \_\_\_\_\_

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DRILLING AND COMPLETION AFE  
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE



PROPERTY NO. 0		<input type="checkbox"/> EMS <input type="checkbox"/> ITS		AFE NO. T-02-0092	
COUNTY/STATE LEA / NEW MEXICO		DISTRICT MIDLAND		DATE 04/24/02	
LEASE NAME STATE 'A'		WELL NO. 6		FIELD HOBBS DRINKARD	
PROSPECT/LEASE # HOBBS INFILL		LEGAL / ZIP CODE SEC 32, T-18S, R-38 E		<div><input type="checkbox"/> ORIGINAL</div> <div><input type="checkbox"/> SUPPLEMENT</div> <div><input type="checkbox"/> EXPLORATION</div> <div><input checked="" type="checkbox"/> DEVELOPMENT</div> <div><input type="checkbox"/> PUD</div>	
OPERATOR APACHE CORPORATION		APACHE W 100.000000%			
OBJECTIVE 7,150' - DRINKARD		PROSPECT #			
FOCUS AREA 0		API # 0			
ESTIMATED PROJECT START DATE 01/00/00		ESTIMATED PROJECT COMPLETION DATE 01/00/00			
DESCRIPTION					

INTANGIBLE DEVELOPMENT COSTS

ACCT	DESCRIPTION	DRY HOLE	COMPLETION	SUPPLEMENT	TOTAL WELL COST
70002	AIR TRANSPORTATION	0	0	0	0
70003	BITS, COREHEADS AND REAMERS	0	200	0	200
70004	CASING CREWS	0	0	0	0
70005	CATERING AND GROCERIES	0	0	0	0
70006	CEMENT AND CEMENTING SERVICES	9,000	18,000	0	27,000
70009	COMPANY LABOR	0	0	0	0
70011	COMPANY SUPERVISION	500	3,600	0	4,100
70012	COMPANY VEHICLE EXPENSE	500	0	0	500
70019	CONTRACT DRILLING - DAYWORK 1 @ \$6,000/DAY	6,000	20,000	0	26,000
70020	CONTRACT DRILLING - FOOTAGE	114,400	0	0	114,400
70017	CONTRACT LABOR	3,000	7,000	0	10,000
70021	CONTRACT SUPERVISION	11,000	0	0	11,000
70022	DIRECTIONAL TOOLS	0	0	0	0
70025	DRILLING FLUIDS	6,000	0	0	6,000
65506	DRILLING OVERHEAD	8,000	0	0	8,000
70059	DRY HOLE PLUGGING	0	0	0	0
70031	EQUIPMENT RENTAL	4,000	13,000	0	17,000
70033	FILTRATION	0	0	0	0
70034	FORMATION STIMULATION	0	100,000	0	100,000
70035	FORMATION TESTING	0	0	0	0
70037	FUEL AND POWER	0	0	0	0
70039	GEOLOGICAL AND ENGINEERING	0	0	0	0
70040	GRAVEL PACK SERVICES	0	0	0	0
70045	INSURANCE	0	0	0	0
70046	LAND AND SITE RECLAMATION	4,500	0	0	4,500
70047	LEGAL AND CURATIVE	1,000	0	0	1,000
70049	LOGGING	13,000	20,000	0	33,000
70050	MARINE TRANSPORTATION	0	0	0	0
70054	OTHER INTANGIBLE	11,000	0	0	11,000
70064	RIG MOBILIZATION	0	0	0	0
70065	ROADS AND SITE PREPARATION	12,000	0	0	12,000
70069	SNUBBING/COIL TUBING UNIT	0	0	0	0
70073	TAX ON EQUIPMENT	0	0	0	0
70074	TRUCKING AND HAULING	1,000	2,200	0	3,200
70075	TUBING CONVEY PERFORATING	0	0	0	0
70076	TUBULAR INSPECTIONS	600	1,100	0	1,700
70077	WATER	13,000	2,500	0	15,500
70078	WELLSITE LOSS AND DAMAGES	5,500	0	0	5,500
	SUB-TOTAL INTANG. DEVELOPMENT COSTS	224,000	187,600	0	411,600

TANGIBLE MATERIAL COSTS

ACCT	DESCRIPTION	DRY HOLE	COMPLETION	SUPPLEMENT	TOTAL WELL COST
71001	ARTIFICIAL LIFT EQUIPMENT	0	55,000	0	55,000
71005	COMPRESSOR STATIONS	0	0	0	0
71006	CONDUCTOR CSG - AS NEEDED	2,500	0	0	2,500
71008	DEHYDRATION / AMINE UNITS	0	0	0	0
71012	FLOW LINES TO BATTERY	0	7,500	0	7,500
71017	HIGH PRESSURE KNOCK-OUT	0	0	0	0
71019	INTERMEDIATE CSG	0	0	0	0
71024	LINER HANGERS	0	0	0	0
71025	LINERS - DRILLING OR PRODUCTION	0	0	0	0
71007	ONSHORE PLATFORM	0	0	0	0
71032	OTHER SUBSURFACE EQUIPMENT	0	0	0	0
71033	OTHER SURFACE EQUIPMENT	0	9,000	0	9,000
71039	PRIME MOVER	0	0	0	0
71040	PRODUCTION CASING 7,150' - 5-1/2" 17# J55 LTC	0	34,000	0	34,000
71043	PUMPS	0	4,000	0	4,000
71045	SALES LINE	0	0	0	0
71046	SEPARATORS	0	0	0	0
71048	SUCKER RODS	0	20,000	0	20,000
71050	SURFACE CSG 1,400' - 8-5/8" 24# J55 STC	9,800	0	0	9,800
71051	TANK BATTERY	0	0	0	0
71052	TREATERS	0	0	0	0
71053	TUBING	0	25,000	0	25,000
71056	WELLHEAD ASSEMBLY	1,100	4,500	0	5,600
	SUB-TOTAL TANGIBLE MATERIAL COSTS	13,400	159,000	0	172,400
	SUB-TOTAL INTANGIBLE COSTS (PAGE 1)	224,000	187,600	0	411,600
	GRAND TOTAL	237,400	346,600	0	584,000
	LESS OUTSIDE INTERESTS	0	0	0	0
	TOTAL NET COSTS	237,400	346,600	0	584,000

PREPARED BY

GARY POULAIN

DATE

4/30/02

PREPARED BY

BILL COPPOC

DATE

APPROVED BY

JIM MCKINNEY

DATE

5/6/02

APPROVED BY

TIM WALL

DATE

5/6/02

APPROVED BY

ROB JOHNSTON

DATE

5/2/02

APPROVED BY

RODNEY MYERS

DATE

5/6/02

Notice to Nonoperators: Costs shown on this form estimates only. Nonoperators should not consider these estimates as establishing any limit on monies which will be required to perform the proposed operation.

A.	GROSS ORIGINAL AFE AMOUNT	584,000
B.	APACHE ORIGINAL NET AFE AMOUNT	584,000
C.	NET ASSET TRANSFERS	
D.	TOTAL ORIGINAL NET AFE (LINE B PLUS LINE C)	584,000
E.	GROSS SUPPLEMENTS	0
F.	APACHE TOTAL NET AFE AMOUNT	584,000
	IN BUDGET	NOT IN BUDGET

COMPANY	WORKING INTEREST	APPROVED BY	DATE

COMMENTS: