

### Drilling & Completion Well Cost Estimate

**Well No:** 1  
**Field:** Flora Vista Fruitland  
**TD:** 1,400 ft  
**Operator:** Merrion Oil & Gas  
**By:** Steven Dunn, PE

Division of Interest:	Owner Share of		BPO Interest		APO Interest	
		Estimated Cost	WI	NRI	WI	NRI
1) Gross Working Interest		\$85,990	100.000000%	67.600000%	100.000000%	67.600000%
2) Royalties & Overrides				32.400000%		32.400000%
3)						
Total		\$85,990	100.000000%	100.000000%	100.000000%	100.000000%

## EST COST

Location Construction, surface damages, anchors, pit liner, trash cage, etc.....					5,000
Surveying and Archaeology .....					500
Title Opinion .....					500
Drilling Rig .....	Footage cost	1,400ft @	\$6.50 per foot.....		9,100
	Daywork	0.5 days @	\$2,750 per day.....		1,375
Cement & Cementing .....	Surface.....				2,000
	Production.....				3,750
Company Supervision.....		4 days @	\$400 per day.....		1,600
Onsite Geologist.....		0.5 days @	\$500 per day.....		250
Open hole logs.....					4,500
Trucking: .....	Haul water.....				1,200
	Haul casing.....				1,000
	Haul mud.....				250
Drilling mud .....					1,400
Casing.....	Surface... 7", 23 lb/ft good used	240 feet @	\$6.50 per foot.....		1,560
	Product.. 4 1/2", 10.5 lb/ft good	1,400 feet @	\$3.95 per foot.....		5,530
Float equipment.....					750
Fittings, valves for wellsite hookup .....					750
Administrative & General Expense (includes engineering design, permitting, accounting, geology, etc.).....					3,000
County tax.....	5.93%				1,920

### TOTAL SUNK WELLBORE COSTS

Wellhead equipment.....					1,500
Separator, heated 3phase.....					<del>4,000</del>
Tubing.....	2 3/8" 4.7lb/ft EUE.....		1,300 feet @	\$1.95 per foot.....	<del>2,535</del>
County tax.....	5.93%				480

**TOTAL SURFACE EQUIPMENT**

Completion Rig.....	4 days @	\$1,400 per day.....	5,600
Water for Stimulation (includes trucking).....			1,500
Stimulation.....			(17,500)
Perforating & Logging.....			1,500
Roustabouts & other services.....			600
Company Supervision.....Completion	4 days @	\$400 per day.....	1,600
Location cleanup.....			250
Trucking, Rig Move.....			500
Frac Tank rentals.....			250
County tax.....5.93%			1,740
Administrative & General Expense.....			500

### TOTAL COMPLETION & TIE-IN COSTS

**TOTAL ESTIMATED COST..... 85,990**

$$\begin{array}{r} 2 \\ 815.00 \\ 175.00 \\ \hline 990 \end{array}$$

Exhibit # 5  
represent new will costs