

WELL COST ESTIMATE

6,300' Delaware Test, SE/4 NE/4, Section 15-23S-28E
Eddy County, New Mexico

	<u>Producer</u>	<u>Dry Hole</u>
<u>Tangible Well Cost</u>		
Tubulars - 500' 8-5/8 @ \$ 9.40/ft	\$ 4,700	\$ 4,700
6,300' 5-1/2 @ \$ 5.60/ft	35,300	-
6,300' 2-7/8 @ \$ 3.00/ft	18,900	-
Transportation and hauling	3,500	3,500
Wellhead Assembly	6,500	1,500
Subsurface Equipment	4,000	-
Separation Facilities	4,000	-
Tanks	15,000	-
Flow Lines	3,000	-
Pumping Unit & Compressor	-	-
Other Equipment	2,000	-
<u>Total Tangibles</u>	<u>\$ 96,900</u>	<u>\$ 9,700</u>
<u>Intangible Well Cost</u>		
Permits, Surveys	\$ 2,000	\$ 2,000
Location, Road & Damages	8,000	8,000
Contract Drilling---6300 @ \$12/ft	75,600	75,600
3 days @ \$4300/day	12,900	8,000
Bits	1,000	1,000
Completion Unit 5 days @ \$1200/day	6,000	-
Cementing	22,000	5,000
Drilling Fluids	10,000	10,000
Fuel and Water	1,000	1,000
Supplies	500	500
Mud Logging	2,000	2,000
Wireline Service - Logging	8,000	8,000
Perforating	3,000	-
Formation Treating	18,000	-
Transportation and Hauling	5,000	2,000
Rentals and Miscellaneous	5,000	3,000
Contract Labor	6,000	3,000
Direct Supervision	6,000	5,000
Engineering Supervision	3,000	3,000
Geological Supervision	2,000	2,000
Insurance and Tax	1,000	1,000
Overhead	3,600	3,000
Contingencies	23,000	16,000
<u>Total Intangibles</u>	<u>\$224,600</u>	<u>\$159,100</u>
<u>TOTAL</u>	<u>\$321,500</u>	<u>\$168,800</u>

COMPANY _____

BY: _____

DATE: _____

