

MEMORANDUM OIL COMPANY
Authorization for Expenditure

Prospect Chalk Bluff Well Name and No. Chalk Bluff Federal #1
Field North Illinois Camp Morrow Location 790' FSL and 2250' FWL
Section 1 Block _____ Township 18S Range 27E Survey _____
County Eddy State N.M. Proposed Depth 10,200'

DESCRIPTION		COST TO CASING POINT AFE NO. 90-D-9	COMPLETION COST AFE NO 90-C-9
<u>INTANGIBLE COST 180</u>			
300	Permits & Surveys	\$ 1,500.00	\$ 500.00
301	Location, Roads & Damages	20,000.00	5,000.00
302	Footage or Turnkey Drilling	163,200.00	
303	Day Work	30,000.00	
304	Fuel, Water & Other	20,000.00	5,000.00
305	Completion/Workover Rig		12,000.00
306	Mud & Chemicals	15,000.00	
307	Cementing	35,000.00	
308	Logging & Wireline	17,000.00	7,000.00
309	Casing - Tubing Services & Tools	2,500.00	2,000.00
310	Mud Logging	3,000.00	
311	Testing	6,000.00	2,000.00
312	Treating		45,000.00
313	Coring		
320	Transportation	2,500.00	2,500.00
321	Welding & Construction Labor	2,000.00	1,000.00
322	Contract Supervision		
330	Equipment Rental	6,000.00	4,000.00
334	Well/Lease Legal/Tax	2,500.00	
335	Well/Lease Insurance	20,400.00	
350	Intangible Supplies	1,000.00	1,000.00
360	Pipeline ROW & Easements		5,000.00
367	Pipeline Interconnect		13,000.00
375	Company Supervision	20,000.00	5,000.00
380	Overhead Fixed Rate	7,000.00	2,500.00
399	Contingencies	18,730.00	5,625.00
Total Intangibles		\$ 393,330.00	\$ 118,125.00
<u>TANGIBLE COST 181</u>			
	Conductor Casing	\$	\$
	Surface Casing 13 3/8" @ 400'	9,200.00	
	Inter. Casing 9 5/8" @ 2600'	33,800.00	
	Production Casing 5 1/2" @ 10200'		71,400.00
	Production Casing		
	Tubing 2 7/8" @ 10200'		20,400.00
860	Drilling Head	5,000.00	
865	Tubing Head		2,000.00
870	Upper Section		5,000.00
875	Sucker Rods		
880	Packer, Pump & Other Subsurface		4,500.00
885	Pumping Unit		
890-1	Tanks (Steel, Fiberglass)		4,000.00
894-5	Separation Equipment (Fired, Non-fired)		10,000.00
898	Metering Equipment		6,000.00
900	Line Pipe		5,000.00
905	Valves		3,000.00
906	Miscellaneous Fittings & Accessories	1,000.00	2,500.00
910	Production Equipment Installation		10,000.00
920	Pipeline Construction		20,000.00

Date Prepared: <u>September 24, 1990</u>	Total Tangibles	\$ 49,000.00	\$ 163,800.00
Prepared By: <u>Erick W. Nelson</u>	Subtotal	\$ 442,330.00	\$ 281,925.00
Company Approval: <u>WN Crany</u>	TOTAL WELL COST	\$ 724,255.00	

Date Approved: _____
Joint Owner Approval: _____

Joint Owner Interest: _____
Joint Owner Amount: _____

BEFORE EXAMINER OR ANALYST
OIL CONSERVATION DIVISION

EXHIBIT NO. _____

CASE NO. _____