

C. W. TRAINER
AUTHORITY FOR EXPENDITURE
Devonian Re-Entry Attempt.

LEASE: Wallace WELL #: 1 DATE: May 7, 1990
LOCATION: 1650' FSL & FEL Sec. 31-T11S-R38E DEPTH: 11,995'
FIELD: N. Gladiola Devonian COUNTY: Lea STATE: New Mexico

<u>DRILLING INTANGIBLES</u>	<u>DRY HOLE</u>	<u>PRODUCER</u>
Stake loc., road, damages, legal	2500	2500
Dirt work (Location & road, Pit)	1900	1900
Footage @		
Daywork 10 @ \$2500	25000	25000
Rig moving		
Bits & Reamers	1800	1800
Fuel & Oil		
Rathole & Mousehole	2500	2500
Welding& Anchors	1050	1050
Drilling mud & additives	2000	2000
Water & Brine	2500	2500
Mudlogging Unit		
Electric Logs	6000	6000
Drill Stem Testing		
Surface Csg. Service & Cement		
Intermed. Csg. Service & Cement	4000	4000
Rental tools & equipment	29000	29000
Fishing tools, Fisherman	17900	17900
Supervision & Engineering	4500	4500
Combined fixed rate (Overhead)	3000	3000
Misc. Costs & Contengencies	10000	10000
TOTAL DRILLING INTANGIBLES	119650	119650

<u>COMPLETION INTANGIBLES</u>		
Completion Unit 4 @ \$1500	6000	6000
Cased Hole Logs & Perforating	3500	3500
Water & Additives	500	500
Stimulation & Treating	3000	3000
Tool & Packer Rentals	3000	3000
Prod. Csg. Service & Cement	4000	4000
Supervision & Engineering	1250	1250
P & A (Restore Location)		
Combined Fixed Rate	1000	1000
TOTAL COMPLETION INTANGIBLES	22250	22250

<u>TANGIBLE EXPENSES</u>		
Surface Csg. @		
Inter. Csg. @		
Prod. Csg. 3500' 5 1/2 @ \$6.03	21125	21125
Liner @		
Tubing 11900' 2.87 @ \$2.81	33475	33475
Sucker Rods @		
Casing Head	2400	2400
Spool	1000	1000
Tbg. Head & Tree	1400	1400
Subsurface Equip.		
Tanks, Sep., & Connections	28000	28000
Pumps (Booster, Hyd.) Prime Mover	2500	2500
Flow lines & meter runs	1200	1200
Installation Costs	2500	2500
Misc. & Contengencies	2500	2500
TOTAL TANGIBLE COSTS	\$96100	\$96100
TOTAL INTANGIBLE COSTS	\$141900	\$141900
GEOLOGICAL & LAND COSTS	\$62000	\$62000

T O T A L C O S T	\$300,000	\$300,000
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APPROVALS:

Operator: By: Date:

Participant: By: Date:

CASE NO. 9957

C. W. TRAINER EXHIBIT # 10

BEFORE EXAMINER STOGNER