

AMERIND OIL CO.

AUTHORIZATION FOR EXPENDITURE

Latham No. 1

At a legal location in NW/4 SW/4
Proration Unit W/2 SW/4 Section 27 - 16S - 37E
Lea County, New Mexico

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION

AMERIND EXHIBIT NO. 3

CASE NO. 9209

To drill and complete in the Strawn formation:

INTANGIBLE	Casing Point	Pumping Completion	Total
Drilling 11,500' @ \$11.00	\$127,000	\$	\$
Daywork - 3 @ \$4,000	12,000		
Drilling mud and water	10,000		
Location and surface damages	15,000		
Drill stem tests (2)	6,000		
Log and perforate	15,000	5,000	
Cementing - surface 400 sx	4,000		
- inter. 1,500 sx	10,000		
- prod. 300 sx		5,000	
Supervision	5,000	5,000	
Geological & mud logging	8,000		
Contract services & equipment rentals	5,000	15,000	
Completion unit		5,000	
Acid treatment - cleanup		5,000	
Drilling and completion overhead	5,000	2,000	
Insurance	3,000		
TOTAL INTANGIBLE	\$225,000	\$ 42,000	\$267,000
TANGIBLE			
Casing			
Surface 400' 13 3/8"	\$ 5,000	\$	\$
Inter. 2,500' 8 5/8" 24.0# J55STC	16,000		
1,700' 8 5/8" 32.0# J55STC	14,000		
Prod. 11,500' 5 1/2" 20.0# N80LTC		60,000	
Tubing 11,300' 2 7/8" 6.5# N80T&C		35,000	
Pumping equipment		60,000	
Wellhead & packer	6,000	7,000	
Tank battery & misc.		35,000	
Electric power installation		5,000	
TOTAL TANGIBLE	\$ 41,000	\$202,000	\$243,000
Contingencies	9,000	26,000	35,000
TOTAL	\$275,000	\$270,000	\$545,000

RECOMMENDED BY:

APPROVED BY:



Robert C. Leibrock

Date: May 5, 1987

Date: _____