



**AUTHORITY FOR EXPENDITURE**  
NEW DRILLING & RECOMPLETION

AFE NO. 92-087-0  
AFE DATE 8/20/93

105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 748-1471

AFE Type:		Well Objective:		Well Type:	
<input checked="" type="checkbox"/> New Drilling	<input type="checkbox"/> Recompletion	<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Gas	<input checked="" type="checkbox"/> Development	<input type="checkbox"/> Exploratory
		<input type="checkbox"/> Injector			

AFE STATUS:

<input type="checkbox"/> Original	_____
<input checked="" type="checkbox"/> Revised	_____
<input type="checkbox"/> Final	_____

LEASE NAME	<b>Childress 'AKV' #1</b>	PROJ'D DEPTH	<b>10,200'</b>
COUNTY	<b>Lea</b>	STATE	<b>New Mexico</b>
LEGAL DESC.	<b>990' FSL &amp; 330'FWL</b>	LOCATION	<b>Section 1-14S-33E</b>
FIELD		HORIZON	<b>Bough</b>

DIVISION CODE	<b>100</b>	DIVISION NAME	<b>Oil &amp; Gas Division</b>
DISTRICT CODE		DISTRICT NAME	
BRANCH CODE		BRANCH NAME	

PROGNOSIS: \_\_\_\_\_

INTANGIBLE DRILLING COSTS:		DRY HOLE	COMP'D WELL
920-100	Staking, Permit & Legal Fees	300	300
920-110	Location, Right-of-Way	16,800	16,800
920-120	Drilling, Footage 10,200' @ \$19.50/ft.	234,000	234,000
920-130	Drilling, Daywork 5 days @ \$4500/day	22,500	22,500
920-140	Drilling Water, Fasline Rental	18,500	18,500
920-150	Drilling Mud & Additives	12,500	12,500
920-160	Mud Logging Unit, Sample Bags	9,200	9,200
920-170	Cementing - Surface Casing	32,500	32,500
920-180	Drill Stem Testing, OHT 1 DST	5,000	5,000
920-190	Electric Logs & Tape Copies	21,700	21,700
920-200	Tools & Equip. Rntl., Trkg. & Welding	20,000	20,000
920-210	Supervision & Overhead	23,500	23,500
920-220	Contingency		
920-230	Coring, Tools & Service		
920-240	Bits, Tool & Supplies Purchase		200
920-350	Cementing - Production Casing		20,000
920-410	Completion Unit - Swabbing		10,000
920-420	Water for Completion		3,800
920-430	Mud & Additives for Completion		
920-440	Cementing - Completion		
920-450	Elec. Logs, Testing, Etc. - Completion		8,700
920-460	Tools & Equip. Rental, Etc. - Completion		12,100
920-470	Stimulation for Completion		15,300
920-480	Supervision & O/H - Completion		9,300
920-490	Additional LOC Charges - Completion		300
920-510	Bits, Tools & Supplies - Completion		900
920-500	Contingency for Completion		
<b>TOTAL INTANGIBLE DRILLING COSTS</b>		<b>416,500</b>	<b>497,100</b>

TANGIBLE EQUIPMENT COSTS:		DRY HOLE	COMP'D WELL
930-010	Christmas Tree & Wellhead	2,200	15,000
930-020	Casing 13-3/8" @ 450'	8,000	8,000
	9-5/8" @ 4200'	50,400	50,400
	7" @ 10,200'		102,000
930-030	Tubing 2-7/8" @ 10,000'		30,000
930-040	Packer & Special Equipment		
940-010	Pumping Equipment		90,000
940-020	Storage Facilities		5,000
940-030	Separation Equip., Flowlines, Misc.		6,700
940-040	Trucking & Construction Costs		15,000
<b>TOTAL TANGIBLE EQUIPMENT COSTS</b>		<b>60,600</b>	<b>322,100</b>

**TOTAL COSTS** **477,100** **819,200**

APPROVAL OF THIS AFE IS HEREBY AUTHORIZED BY THE JOINT ACCOUNT WITH TUBULAR GOODS STATED ABOVE.

**BEFORE THE**  
**OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico

Prepared By \_\_\_\_\_

BY \_\_\_\_\_

BY \_\_\_\_\_

BY \_\_\_\_\_

Case No. 10841 Exhibit No. 7

Submitted by: Yates Petroleum Corporation

Hearing Date: October 7, 1993

DATE

SHARE

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