

Authority For Expenditure (AFE) Cost Estimate

Lease 32-6-9	Well No. 1	Field Basin
Location NENE Sec 9, T32N, R6W	County San Juan	State New Mexico
Formation Fruitland	Est. Total Depth 2780'	

	PRODUCING WELL		DRY HOLE
	Sub.	Total	
TUBULAR GOODS			
Surface Casing - <u>240</u> Ft. <u>9 5/8</u> Inch @ <u>14.00</u> \$/Ft.	\$ 3,360		\$ 3,360
Int. Casing - <u>2520</u> Ft. <u>7</u> Inch @ <u>6.50</u> \$/Ft.	16,380		16,380
Prod. Casing - <u> </u> Ft. <u> </u> Inch @ <u> </u> \$/Ft.			
Liner <u>350</u> Ft. <u>5 1/2</u> Inch @ <u>8.00</u> \$/Ft.	2,800		
<u> </u> Ft. <u> </u> Inch @ <u> </u> \$/Ft.			
Tubing - <u>2760</u> Ft. <u>2 7/8</u> Inch @ <u>2.00</u> \$/Ft.	5,520		
<u> </u> Ft. <u> </u> Inch @ <u> </u> \$/Ft.		\$ 28,060	
WELL HEAD EQUIPMENT:			
<u>3000# Flanged</u>	12,000		
<u>Surface Equipment</u>	108,000	120,000	
OTHER EQUIPMENT:			
Liner Hangers and Production Packers	6,000		
<u>Machine Liner</u>	7,500	13,500	
CONTRACT COSTS:			
Footage - <u>2520</u> Ft. <u>11.25</u> \$/Ft.	28,350		28,350
Daywork - <u>14</u> Day <u>4,000</u> \$/Day	56,000		56,000
Daywork - <u>4</u> Day <u>4,000</u> \$/Day	16,000		
Daywork - <u> </u> Day <u> </u> \$/Day		100,350	
CEMENTING: (Cement and Pump Trucks)			
Surface - <u> </u>	2,000		2,000
Intermediate - <u> </u>	4,500		4,500
Production - <u> </u>			
Liner - <u> </u>			
Liner - <u> </u>			
Sq. Job - <u> </u>		6,500	
FORMATION TREATMENT:			
Acidizing - <u> </u>			
Fracturing Equipment - <u> </u>			
Fluid - <u> </u> Gal. Oil			
<u> </u> Gal. Water			
Sand - <u> </u> Lbs.			
Tank Rental - <u> </u>			
SPECIAL SERVICES: (Surveys and Tests)			
Perforating - <u> </u>	1,500		1,500
Mud Logging - <u> </u>			
Electric and Radioactive Logging <u> </u>			
Drill Stem Tests - <u> </u>			
Cores - <u> </u>		1,500	
MATERIALS:			
Drilling Mud and Chemicals	14,000		14,000
Drilling Gas or Air	2,000		2,000
Water	2,000		2,000
Blts	10,000		10,000
Fuel	2,000		2,000
Cement Equipment (shoes, collars, etc.)			
Bridge Plugs and Retainers	10,000	50,000	10,000
Equipment Rental	10,000		10,000
Miscellaneous (welding, hauling, rental of tongs, etc.)	15,000	15,000	15,000
ACCESS AND LOCATION:			
Total Direct Cost	334,910		177,090
Plus <u>15</u> % Contingency	50,240		26,570
ESTIMATED TOTAL COST	\$385,150	\$	\$203,660
WORKING INTEREST:			
<u>100%</u>			
Others <u> </u>			

ESTIMATED COSTS ONLY - Each participating owner to pay proportionate share of actual well cost subject to operating agreement.

RICHMOND PETROLEUM INC. APPROVAL

Prepared By: DED Date: 8/28/89 Recommended: JLA Date: 8/30/89 Recommended: Date:

Approved: James L. Adams Date: 8/30/89 Title: EVP

PARTNER APPROVAL

Company Name:

Authorized By: Date:

Title:

RICHMOND L. FELLOWSHIP INC.

Lease Name	Carnes 32-6-11	Well No.	#1	Field	Basin
Location	1800' FSL, 230' FWL, Sec 11, T32N, R6W	County	San Juan	State	New Mexico
Formation	Fruitland Coal	Est. Total Depth	2,800		
TUBULAR GOODS:		PRODUCING WELL		DRY HOLE	
		Sub.	Total		
Surface Casing	240 Ft. 8-5/8 Inch 8.00 \$/Ft.	\$ 1,920		\$ 1,920	
Int. Casing	Ft. Inch @ \$/Ft.				
Prod. Casing	2800 Ft. 5-1/2 Inch 6.00 \$/Ft.	16,800		16,800	
	Ft. Inch @ \$/Ft.				
	Ft. Inch @ \$/Ft.				
Tubing	2750 Ft. 2-3/8 Inch 2.50 \$/Ft.	6,875			
	Ft. Inch @ \$/Ft.		\$ 25,595		
WELLHEAD EQUIPMENT:					
2000# Independent					
OTHER EQUIPMENT:					
Liner Hangers and Production Packers					
Production Facilities (PU,Sep,Dehy,Tanks,Etc.)		65,000	65,000		
CONTRACT COSTS:					
Footage	2800 Ft. 12.00 \$/Ft.	33,600	33,600	33,600	
Daywork	Ft. \$/Ft.				
Daywork	Ft. \$/Ft.				
Daywork	Ft. \$/Ft.				
CEMENTING: (Cement and Pump Trucks)					
Surface		5,000	14,000	5,000	
Intermediate					
Production		9,000		9,000	
Liner					
Liner					
Sq. Job					
FORMATION TREATMENT:					
Acidizing			72,000		
Fracturing Eqpmnt	30 # XL			70,000	
Fluid	Gal. Oil				
	73000 Gal. Water				
Sand	312000 Lbs.				
Tank Rental	6 Tanks	2,000		2,000	
SPECIAL SERVICES: (Surveys and Tests)					
Perforating		7,000	9,000	7,000	
Mud Logging		2,000		2,000	
Electric & Radioactive Logging					
Drill Stem Tests					
Overs					
MATERIALS:					
Drilling Mud and Chemicals		8,000	31,000	8,000	
Drilling Gas or Air					
Water		10,000		10,000	
Bits		2,000		2,000	
Fuel		2,000		2,000	
Cement Equipment (shoes, collars, etc.)		1,000		1,000	
Bridge Plugs and Retainers					
Miscellaneous (welding, hauling, rental of tools, etc.)		8,000		8,000	
ACCESS AND LOCATION:					
Roads, Location, Legal(Title,Land)		30,000	30,000	30,000	
ESTIMATED TOTAL COST					
Total Direct Cost			283,695	208,320	
Plus 15 % Contingency			42,554	31,248	
WORKING INTEREST:					
Others					
		\$	\$ 326,249	\$ 239,568	
ESTIMATED COSTS ONLY - Each participating owner to pay proportionate share of actual cost subject to operating agreement.					

<u>RICHMOND PETROLEUM INC. APPROVAL</u>			
Prepared By: <u>J.L. Adams</u>	Date: <u>3/01/90</u>	Recommended: _____	Date: _____
Approved: <u>James L. Adams</u>	Date: <u>3/01/90</u>	Title: <u>Executive Vice President</u>	Signature: <u>James L. Adams</u>
<u>PARTNER APPROVAL</u>			
Company Name: <u>Minatome Corporation</u>	1.867963%		
Authorized By: _____	Date: _____		
Title: _____	Signature: _____		

Authority For Expenditure (AFE) Cost Estimates

Lease Name Miller 32-6-11					Well No. #1		Field Basin	
Location 760' FWL, 1,130' FNL, Sec 11, T32N, R6W					County San Juan		State New Mexico	
Formation Fruitland Coal					Est. Total Depth 2,800			

					PRODUCING WELL		DRY HOLE	
					Sub.	Total		
TUBULAR GOODS:								
Surface Casing	240	Ft.	8-5/8	Inch	8.00	\$/Ft.	\$ 1,920	\$ 1,920
Int. Casing		Ft.		Inch @		\$/Ft.		
Prod. Casing	2800	Ft.	5-1/2	Inch	6.00	\$/Ft.	16,800	16,800
		Ft.		Inch @		\$/Ft.		
		Ft.		Inch @		\$/Ft.		
Tubing	2750	Ft.	2-3/8	Inch	2.50	\$/Ft.	6,875	
		Ft.		Inch @		\$/Ft.	\$ 25,595	
WELLHEAD EQUIPMENT: 2000# Independent					3,500	3,500		
OTHER EQUIPMENT: Liner Hangers and Production Packers Production Facilities (PU,Sep,Dehy,Tanks,Etc.)					65,000	65,000		
CONTRACT COSTS:					33,600		33,600	
Footage	2800	Ft.	12.00	\$/Ft.				
Daywork		Ft.		\$/Ft.				
Daywork		Ft.		\$/Ft.				
Daywork		Ft.		\$/Ft.		33,600		
CEMENTING: (Cement and Pump Trucks)					5,000		5,000	
Surface								
Intermediate								
Production					9,000		9,000	
Liner								
Liner								
Sq. Job						14,000		
FORMATION TREATMENT:					70,000		70,000	
Acidizing								
Fracturing Eqpmnt	30 # XL							
Fluid		Gal. Oil						
	73000	Gal. Water						
Sand	312000	Lbs.						
Tank Rental	6 Tanks				2,000	72,000	2,000	
SPECIAL SERVICES: (Surveys and Tests)					7,000		7,000	
Perforating					2,000		2,000	
Mud Logging								
Electric & Radioactive Logging								
Drill Stem Tests								
Cores						9,000		
MATERIALS:					8,000		8,000	
Drilling Mud and Chemicals								
Drilling Gas or Air								
Water					10,000		10,000	
Bits					2,000		2,000	
Fuel					2,000		2,000	
Cement Equipment (shoes, collars, etc.)					1,000		1,000	
Bridge Plugs and Retainers								
Miscellaneous (welding, hauling, rental of tools, etc.)					8,000	31,000	8,000	
ACCESS AND LOCATION: Roads, Location, Legal(Title,Land)					30,000	30,000	30,000	
						283,695	208,320	
Total Direct Cost						42,554	31,248	
Plus 15 % Contingency								
ESTIMATED TOTAL COST					\$	\$ 326249	\$ 239,568	
WORKING INTEREST: Others					ESTIMATED COSTS ONLY - Each participating owner to pay proportionate share of actual cost subject to operating agreement.			

RICHMOND PETROLEUM INC. APPROVAL			
Prepared By: <u>J.L. Adams</u>	Date: <u>3/01/90</u>	Recommended: _____	Date: _____
Approved: <u>James L. Adams</u>	Date: <u>3/01/90</u>	Title: <u>Executive Vice President</u>	Signature: <u>James L. Adams</u>

PARINER APPROVAL	
Company Name: <u>Ameritrust N.A., as Trustee of Mary Frances Turner, Jr. Trust</u>	4.74184%
Authorized By: _____	Date: _____
Title: _____	Signature: _____

BEFORE EXAMINER

Oil Conservation Division

Consolid Exhibit No. 6

Case No. 10955-56-57