CD NO. 200807181-T

Bruce A. Foster, P.E.

	Preliminary AFE as of			11/03/08	**SUBJECT TO CH**	
Proposed Activity:	**Mayo Moore well with Sells drilling**					
Project/County/State:	Wilcox- Granite/Tulsa/Oklahoma					TD

Intangibles Services & Supplies	Quantity Required	Units	Cost per Unit	Item Cost	Actual Cost	Over/ (Under)
Permit walk through price	1	each	500.00	500	500	
Insurance	1	each	1500.00	1,500		
Drilling Engineering	45	each	100.00	4,500		
Survey, Location, Roads, Dozer	1	each	4500.00	4,500		
Rig move in	1	each	3000.00	3,000		
Drill 12 1/4' Surface Hole	400	feet	34.00	13,600		
Drilling 8 3/4"	2100	feet	26.00	54,600		
Drilling Day Rate	3	days	9000.00	27,000		
Drill Bits	3	each	2478.00	7,434		
Additional Rental tools	0	each	11000.00	-		
Fuel	10	days	300.00	3,000		
Drilling Water	22	loads	850.00	18,700		
DWC2000 MUD	1	pounds	12000.00	12,000		
Microbiocide	0	pounds	26.00	-		
Filtrate Loss Control	0	pounds	6.24	-		
Borehole Conditioner	0	pounds	2.16	-		
Lost Circ & Kick Control Polymer	0	pounds	5.00	-		
Mud Engineering	0	each	2000.00	-		
Cement Casing surface	1	each	6686.00	6,686		
Casing crew surface	1	each	3000.00	3,000		
Logging (Haliburton)	2600	feet	fee	12,000		
Mud Logging & Well Site Geologist	0	each	fee	9,000		
Drill stem testing	1	each	3300.00	3,300		
Retrievable Bridge Plug	0	each	3000.00	-		
Casing Crew Long String	1	each	5000.00	5,000		
Cement Casing Long string	0	each	7000.00	-		
Bond Logging	1	each	1200.00	1,200		
hauling	15	each	450.00	6,750		
Transportation	1	each	2000.00	2,000		
Cellar and Grate	1	each	5000.00	5,000		
Electrical	5	hours	35.00	175		
Roustabout, Plumbing	24	hours	45.00	1,080		
Winch Truck	24	hours	150.00	3,600		
Casing Crew	1		3000.00	3,000		
Ditching	1000	feet	1.00	1,000		
Pulling Unit	160	hours	220.00	35,200		
Plugging and restoration per OCC	2100	feet	2.00			
Sub-Total				248,325	500	-
Contingency		10%		24,833		
Total Services and Supplies				273,158		
				101.17		

Tangible Equipment	Quantity Required	Units	Cost per Unit	Item Cost	Actual Cost	Over/ Under
Pumping Unit Assembly new 228	1	each	30000.00	30,000		
Motor, Belts,Sheaves	1	each	2500.00	2,500		
Vertical Separator	0	each	2800.00	-		
Oil Tanks, 200bbl	0	each	3200.00	-		
Gas Separator	0	each	5500.00	-		

11-4-08

Electric Disconnect, Wire	1 each	1750.00	1,750
Gasline, Connections	1 each	3000.00	3,000
Flowline, Connections	1 each	1250.00	1,250
Surface Casing, 8 5/8"xxx#	0 feet	31.00	-
Production Casing, 5.5"x15#	2500 feet	19.00	47,500
Production Casing, 7"x23#	0 feet	29.00	-
Production Tubing, 2 7/8"	2450 feet	6.50	15,925
Packer	1 each	2500.00	2,500
Rods 7/8"	2700 feet	1.70	4,590
Polish Rod, Liner, Stuffing Box	1 each	1675.00	1,675
Downhole Pump Assembly	1 each	2950.00	2,950
Well Head, Valves, Checks	1 each	1750.00	1,750
Foundation & Gravel	1 each	7500.00	7,500
Sub-Total			122,890
Contingency	10%		12,289
Total Tangible Equipment			135,179
Total Project Cost			408,337

IANGE

2700		
Dry Hole Cost	Quote	Low vender
500		
1,500		
4,500		
4,500		
3,000		
13,600		
54,600		
27,000		
7,434		
-		
3,000		
18,700		
12,000		
-		
-		
-		
-		
-		
6,686		
3,000		
12,000		
9,000		
3,300		
-		
-		
1,200		
6,750		
2,000		
5,000		
-		
199,270		
19,927		
219,197		
81.18		