

## www.OilfieldBasics.com





### PURPOSE

- List anticipated CAPEX costs of a project
  - ► Costs are estimated
  - ► A lot of time goes into creating AFE's
- Used for further economic modeling, budgeting, and approval from management
- Can be reflected on later

#### AFE - Drilling & Completion

Operator: ABC Exploration, LP Well Name: Example #1-H				Prepared By:	RDR	Tax Rate			
				Field:		Depth:			
Logal:	No. 200		Parish/County:		Days:	22			
Contractor: 1	Nations 777			State:	IX	Spud Date:	TBA		
Vell Progra	am								
Casing	Hole Size	Casing Size Weight, &		Depth	Drilling Fluid	F	ormation Evalu	ation	
Conductor	14" 3/8" Wall Wei			80 '					
Surface Intermediate	12 1/4 9 5/8" 36 ppf J/K-5/ 8 3/4 7" 29 ppf N-An B		STC	2,850 '	Spud		None		
1st Liner	0.04	7" 29 ppf N-80 BT	C	7,900 '	LSND	Triple Combo			
2nd Liner									
Production	6 1/4	4 1/2" 11.6 ppt P-1	10	40.000					
			10	13,150 '	LSND		LWD		
osts									
Code	1927				8300		8500		
	Rem		Item Cost per	Days/Units					
apitalized I	ntangible Dril	ling & Completion Costs	Unit	Daysionits	Drilling Cost	Days/No.	Completion	Total C	
100	Site Propagation	n & Maintenance	1				Cost	rotal C	
	Permis & Survey	n & Maintenance			400.000				
	Location Breads	Da-	7,500		135,000			400	
	Water-Water-Mark	A STATE OF THE PARTY OF THE PAR	75,000	1	7,500			135,	
			7,500	1	75,000			7	
		Land Use	25,000	1	7,500			75	
	Welste Security Roustabouts & Li		20,000	1	25,000			7	
110	Title Co.	l00r			20,000			25	
120	Title Opinion							20	
120	Drilling/Compl	etion Rig							
	MobiDemob Rig Rental								
_	Ton Driver & sa.	2000	150,000	-	557,000				
_			18,500	22	150,000			557,	
130	Engineering &	A Base pay		- 4	407,000			337,0	
	Wellste Supervis	Supervision			-			150,	
_	Engineering & a	HOR)						407,	
-	Rig Supervisor C	amo	3,000	22	78,100				
	Communications				66,000	-	15,000		
140	FeldiOffice Supp	oles	400	22		9	15,000	93,1	
150			150	22	8,800		1,000	81,0	
-	Well Evaluation	in .	4,500		3.300				
_	Open Hole Logg Cased Hole	rg	4,500	22	60.00			8,8	
-	Mud Long	ging	20.00		99,000			3,3	
-			25,000 7,500	1	45,900				
	Drill Stam Testin	0	950		25,000		7,500	99,0	
_	Decorations		930	22	77	1	1500	53,4	
16	Production Tests  Casing Service  Casing Casing Service	19			20,900	-	7,500	25,0	
-	Casino Control	es					1000	7,5	
-	Rountein &	Rental Tool-						20,9	
							-	-	
- 17	Cement		10,000	3	20,000				
-	Primary Cemen Remediat C	Inc		-	20,000				
-	Des de Ceme	otion			39,000	1	10,000		
	Loss Circulation	n & Certanters	35,000		-	-	10,000	30,0	
	Kick-Off Parke	n & Correnters	-vv.000	2	70,000		-	30,0	
18	O Drilling Tools	-	-		70,000				
	Oral Bits					1	35,000		
-	Core Bas						35,000	105,00	
-	Stabilizers/Rear Performance	Ters					-	105,00	
_	Tarking the tark	olon	40,000		40.			-	
-	Shock Subs	_	100		49,000				
	Drilling/Com	nia.	1,500	- 5	40,000		10.0		
	note I Cann	retion Fluids & C	-9,000	-	700		15,000		
		pletion Fluids & Services	500	_	7,500			64,00	
			- 500	3		1		40,00	
			A EAN		1,500		15.00		
				23	102,300		15,000	7,50	
					9000	_		15,00	
						9	13,500		
							13,500	115,80	



# DIVISIONS

- ► Tangibles and Intangibles
- Upstream: Drilling, completions, facilities

### AFE - Drilling & Completion

Operator: ABC Exploration, LP Well Name: Example: 81-H				Prepared By:		Tax Rate			_
				Field:		Depth:	13,150		
Logal:			Parish/County:		Days:	22			
Contractor: 1				State:	TX	Spud Date:	TBA		_
Vell Progra	am								
Casing	Hole Size	Casing Size Weight, &	Grade	Depth	Drilling Fluid		ormation Evalu	ation	-
Conductor	14" 3/8" Wall W		ed	80'				anon	
Surface			STC	2,850 '	Soud		None		_
Intermediate	8 3/4	7" 29 ppf N-80 BT	C	7,900 '	LSND	Triple Combo			
1st Liner 2nd Liner							Triple Collido		
Production	6 1/4	7.00							_
1.101000001	0 1/4	4 1/2" 11,6 ppf P-1	10	13,150 '	LSND		LWD		_
osts							LIAD		
					8300		0500		_
Code	hem		Item Cost per	Days/Units	Drilling Cost		8500		
anitalizad t	Intangible Drilling & Completion Cos		Unit			Days/No.	Completion		_
abutunted to	ntangible Drilli	ng & Completion Costs				oayamu,	Cost	Total	C
100		& Maintenance							_
					135,000				
_		ts	7,500	1				1	135,
	WaterWater WeilPlugging ConductorMousehole Installation See Best Processor		75,000	1	7,500 75,000			-	
			7,500	1	7,500				7
_	Welste Security	Land Use	25,000	1	25,000				75
	POUNTADOUTS & TIME	VV	20,000	1	20,000				7
110	Title Onloine				20,000				25
120	Drilling/Comple								20
	Mob/Demob	tion Rig	-						_
_	Rio Rentel				657.50				_
_	Ton Driver & sa.		150,000	1	557,000				
_	Additional Crewifo	anale .	18,500	22	150,000			5	57,0
130					407,000				150,
	Wellste Supervision	supervision							107
-								-	407,
-	Rig Supervisor Ca Communication	mo	3,000	22	78,100			_	_
	Communications		-		66,000	5	15,000	_	_
140	Fuel Suppli	05	400	22			15,000		93,1
150 Well Evaluation			150	22	8,800				81,0
- "	Organization		4.00		3.300			_	
	Open Hole Loggin	9	4,500	22				-	8,8
	Mud Long	ng			99,000			_	3,3
-	Core Annual		25,000	1	45,900				
			7,500		25,000		7,500		99,0
	Fluid Analysis		950	22		-	7,500		3,4
100	Production Testing				20,900	1	9 600		25,0
-	Casing Service						7,500		7,5
-	Round &	antal Tarit							20,9
-	Roustabouts & Co Thread Specialist	9aning	_						4,0
17	Comment.		10,000		00				-
	D. Ser	Vicas		2	20,000				
		0			20,000		10,000		-
	Loss Circulation	ing .	_				10,000	2	0.0
	Market Parketer	AC.	35,000	-	70.05		10,000		
18	Kick-Off Pages  Orilling Tools  Orill Bits	- Defrenters		- 1	70,000			3	30,0
_	Onli Bis				70,000		35,000		-
	Chec m						36,000	100	-
-							35,000	100	5,00
-	Performance Mor	ers	40,000					10	5,0
-	Turbines Mo	on no	-0,000		49,000				_
19	Shock Subs	-	1.500		40,000				-
	Tilling/Comp	Otion a	15,000	5	.0.000		15,000		-
	I Canula	etion Fluids & Services	-	-	7,500		10,000	-	-
		Gervices	500	-	1,400			- 64	1,00
			+	3		1		4	0,00
			A EAR		1,500		15,000		-
				27	102,300	_	.0,000		7,50
					00 000	_		18	5,00
					110000	3	13,500		-
							13 500	115	1,50