



P.O. Box 1567 Bernalillo, NM 87004  
 Phone: 867-9500 Fax: 867-0733  
 info@murraydrilling.com  
 Lic. # WD-672



### PROPOSAL AND AGREEMENT

**THIS PROPOSAL AND AGREEMENT SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS INCLUDING PAGES 2 AND 3, WHICH UPON EXECUTION ARE AGREED TO AND ACCEPTED BY PURCHASER, MDC AGREES TO DRILL THE WELL AND INSTALL PUMP EQUIPMENT AS OUTLINED BELOW:**

DATED 1/23/07 BY AND BETWEEN MARK PUCKETT PLATINUM PROPERTIES, WHOSE MAILING ADDRESS IS: 10433 MONTGOMERY PKWY NE SUITE 200, ALBUQUERQUE, NM, 87111; PHONE NUMBERS ARE AS FOLLOWS: H#, W#, F#, M# 269-6997, (HEREIN REFERRED TO AS "PURCHASER"), AND MURRAY DRILLING COMPANY, A NEW MEXICO CORPORATION (HEREIN REFERRED TO AS "MDC").

**PROPERTY ADDRESS:** PLACITAS, NM, 87043. LOCATED IN SANDOVAL COUNTY. **LEGAL DESCRIPTION:** LOT NUMBER, BLOCK UNIT, OF APACHE MESA SUBDIVISION.

**DESCRIPTION OF WELL:** ESTIMATED DEPTH: 700 FEET. RATE PER FOOT \$18.50 (INCLUDING LABOR AND MATERIAL), BUT NOT LESS THAN A MINIMUM DRILLING CHARGE OF \$2000.00.

**WELL MATERIAL TO INCLUDE:** 4 1/2" O.D. PVC CASING, GRAVEL PACK, PERFORATED CASING AND BENTONITE SEAL. IN THE EVENT DOWN-HOLE CEMENTING IS REQUIRED, PURCHASER WILL BE CHARGED AND AGREES TO PAY FOR MATERIAL USED PLUS STANDBY TIME AT A RATE OF \$300.00 PER DAY. THE WELL DEPTH IS AN ESTIMATE AND MAY VARY, FINAL INVOICE AMOUNT WILL BE ADJUSTED ACCORDINGLY.

**PUMP EQUIPMENT:** IT IS UNDERSTOOD THE PUMPING SYSTEM OUTLINED BELOW IS DESIGNED FOR A TOTAL DYNAMIC HEAD OF APPROXIMATELY FEET AND MAY NOT BE APPROPRIATE IF THE TDH VARIES. IF A SMALLER OR LARGER PUMPING SYSTEM IS REQUIRED, THE FINAL INVOICE AMOUNT WILL BE ADJUSTED ACCORDINGLY.

QTY	ITEM	COST
1	PUMP: 10' GS 3 HP BALANCE FLOW UNIT	\$3,390.00
567'	DROP PIPE: 1" SCH 40 GALV T & C	\$935.55
575'	SUBMERSIBLE WIRE: 8-3G DOUBLE JACKETED	\$1,707.75
3	CHECK VALVE: 1" INLINE	\$54.30
1	PITLESS: STEEL WELL HEAD W/1" DROP	\$325.00
1	WELL CAP: LX6 ALUM	\$43.00
1	PRESSURE TANK: WELL X TROL WX-102	\$158.00
1	TANK TEE: KIT	\$16.00
	YARD LINE (PIPE):	
	YARD LINE WIRE: ALL ELECTRICAL WORK TO BE DONE BY A LICENSED ELECTRICIAN	
1	BACKHOE/TRENCHER: CULVERT EXCAVATION	\$325.00
1	FITTINGS PACKAGE: MISC	\$95.00
1	LABOR: ESTIMATED COMPLETION TIME - BILLED FOR ACTUAL TIME @ \$85.00 PER/HR	\$1,125.00
	METERS: (AS REQUIRED BY STATE)	
	MISC:	
1	MISC: 66" CULVERT LID & LADDER	\$900.00
	MISC:	
	MISC:	
	MISC:	
	MISC:	
	PUMP EQUIPMENT TOTAL	\$9,074.60

**TOTAL COST OF THE WELL AND PUMP SYSTEM ESTIMATED AS FOLLOWS**

<b>A:</b>	WELL (ESTIMATED DEPTH OF 700' @ \$18.50 PER FOOT)	\$12,950.00
<b>B:</b>	PUMPING EQUIPMENT (AS DESCRIBED ABOVE)	\$9,074.60
<b>C:</b>	PLUS APPLICABLE SALES TAX (RATE = 6.0%)	\$1,321.48
<b>D:</b>	TOTAL ESTIMATED COST	\$23,346.08

**PAYMENT TERMS**  
 (NO EXCEPTIONS UNLESS AGREED TO IN WRITING PRIOR TO MOVING ON SITE)

<b>A:</b>	SCHEDULING DEPOSIT DUE: WITH SIGNED GENERAL CONDITIONS AND PERMITS	\$500.00
<b>B:</b>	ESTIMATED DRILLING COST DUE: UPON COMPLETION OF DRILLING	\$12,950.00
<b>C:</b>	REMAINING BALANCE(S) DUE: 10 DAYS FROM INVOICE DATE	\$9,896.08

**PURCHASER SHALL BE RESPONSIBLE FOR THE FOLLOWING**

<b>A:</b>	OBTAINING NECESSARY PERMITS.	<b>D:</b>	LOCATING ALL UNDERGROUND UTILITIES.
<b>B:</b>	MARKING EXACT WELL LOCATION. INSURING LOCATION MEETS LOCAL & STATE ENVIRONMENTAL CODES.	<b>E:</b>	220 V POWER AT TANK LOCATION. ELECTRICIAN FOR ALL CONNECTIONS.
<b>C:</b>	ACCESS TO THE JOB SITE. STANDBY TIME WILL BE CHARGED AT A RATE OF \$300 PER DAY	<b>F:</b>	INSTALLING CONCRETE PAD AND CALLING FOR FINAL WELL INSPECTION (REQUIRED FOR BERNALILLO COUNTY)