

# Projected Business Results

125 Drilling

Number Jobs/Year: 50

Avg Distance to Job 25

Annual Profit Goal \$50,000

Total Est Drilling 6,250

Drill Rate/Hr 12

## Revenues

Pct of All Sales 71.1%

### Labor & Machinery per Job

Qty	Material	Unit Price	Total Revenue
125	AIR DRILLING	\$40.00	\$5,000.00
<b>Total Revenues/Job</b>			<b>\$5,000.00</b>

**Annual Labor/Services** **\$250,000.00**

### Materials for Resale per Job

Qty	Material	Unit Price	Total
40	6 5/8" 188 WALL CASING	\$19.60	\$784.00
3	Out of Town Per Diem	\$125.00	\$375.00
12	94LB CEMENT	\$30.00	\$360.00
<b>Materials Revenue</b>			<b>\$1,519.00</b>

**Annual Materials** **\$75,950.00**

**Total Annual Revenue for Project** **\$325,950.00**

## Expenses

### Material Cost

Qty	Material	Unit Cost	Total Cost
40	6 5/8" 188 WALL CASING	\$9.80	\$392.00
3	Out of Town Per Diem	\$125.00	\$375.00
12	94LB CEMENT	\$8.44	\$101.28
<b>Total Material Cost/Job</b>			<b>\$868.28</b>

**Annual Materials Expense** **\$43,414.00**

### Labor

Worker	Time	Base Pay Rate	Pay/Job	benefits/taxes	TTL OT Exp	Total Cost
Shaun Dreiling	12	\$25.00	\$300.00	\$75.00	\$0.00	\$375.00
Greg Dreiling	5	\$50,000.00	\$120.20	\$27.64	\$0.00	\$147.84
<b>Total Direct Labor</b>			<b>\$420.20</b>	<b>\$102.64</b>	<b>\$0.00</b>	<b>\$522.84</b>

**Total Annual Labor Expense** **\$26,142.21**

### Direct Equipment Costs

Equipment	Fixed Cost Alloc	Time	Cost/Hour	Total Op Cost	Cost/Mile	Total Mob Cost	Total OP Cost
Rig ONE	\$58,322	12	\$367	\$4,400	\$0.56	\$28	\$4,414
Grouter	\$1,469	2	\$3	\$6			\$6
Water Truck	\$13,943	4					\$0
<b>Total Equipment Operating Cost (exc Fixed Allocation)</b>				<b>\$4,406</b>		<b>\$28</b>	<b>\$4,420</b>

**Total Annual Equipment Operating Expense** **\$221,004.65**

Summary	Amount over/under goal	(\$14,610.86)	Per Foot	Per Job	Annually
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<b>Project Gross Margins Labor/Equipment</b>				<b>\$707.78</b>	<b>\$35,389.14</b>
<b>Project Gross Margins on Materials only</b>				<b>\$650.72</b>	<b>\$32,536.00</b>
<b>Project Gross Margins on Labor/Equipment Components only</b>				<b>\$57.06</b>	<b>\$2,853.14</b>

**Capital Equipment Allocation** **\$11.80** **\$1,474.68** **\$73,734.00**

**All other fixed cost allocation** **\$20.87** **\$2,608.75** **\$130,437.60**

**Project Gross Margins on Labor/Equipment inc. cost of ownership and share of fixed costs (Net Profit per Job)** **(\$3,375.65)** **(\$168,782.46)**

<b>Cost/Foot (Total)</b>	<b>\$43.80</b>	<b>Material Cost/Foot</b>	<b>\$6.95</b>	<b>Labor Cost/Foot</b>	<b>\$4.18</b>
<b>Revenue/Ft</b>	<b>\$52.15</b>	<b>Variable Cost/Ft</b>	<b>\$46.49</b>	<b>Ft to Breakeven</b>	<b>36,058</b>
				<b>Breakeven Price/Ft</b>	<b>\$79.16</b>

**Service Calls**

Number Jobs/Year: 250

Avg Distance to Job 15

Annual Profit Goal \$25,000

Total Est Drilling

Drill Rate/Hr NA

**Revenues**

Pct of All Sales **8.2%**

**Labor & Machinery per Job**

Qty	Material	Unit Price	Total Revenue
1	Service Call	\$75.00	\$75.00
<b>Total Revenues/Job</b>			<b>\$75.00</b>

**Annual Labor/Services** **\$18,750.00**

**Materials for Resale per Job**

Qty	Material	Unit Price	Total
1	Misc Service Parts	\$75.00	\$75.00
<b>Materials Revenue</b>			<b>\$75.00</b>

**Annual Materials** **\$18,750.00**

**Total Annual Revenue for Project** **\$37,500.00**

**Expenses**

**Material Cost**

Qty	Material	Unit Cost	Total Cost
1	Misc Service Parts	\$50.00	\$50.00
<b>Total Material Cost/Job</b>			<b>\$50.00</b>

**Annual Materials Expense** **\$12,500.00**

**Labor**

Worker	Time	Base Pay Rate	Pay/Job	benefits/taxes	TTL OT Exp	Total Cost
Bill Ruhl	2.5	\$12.00	\$30.00	\$8.22	\$0.00	\$38.22
<b>Total Direct Labor</b>			<b>\$30.00</b>	<b>\$8.22</b>	<b>\$0.00</b>	<b>\$38.22</b>

**Total Annual Labor Expense** **\$9,555.00**

**Direct Equipment Costs**

Equipment	Fixed Cost Alloc	Time	Cost/Hour	Total Op Cost	Cost/Mile	Total Mob Cost	Total OP Cost
Service Truck	\$6,867	3			\$0.28	\$8	\$4
<b>Total Equipment Operating Cost (exc Fixed Allocation)</b>						<b>\$8</b>	<b>\$4</b>

**Total Annual Equipment Operating Expense** **\$1,045.13**

Summary	Amount over/under goal	(\$10,600.13)	Per Foot	Per Job	Annually
<b>Project Gross Margins Labor/Equipment</b>				<b>\$57.60</b>	<b>\$14,399.88</b>
<b>Project Gross Margins on Materials only</b>				<b>\$25.00</b>	<b>\$6,250.00</b>
<b>Project Gross Margins on Labor/Equipment Components only</b>				<b>\$32.60</b>	<b>\$8,149.88</b>
<b>Capital Equipment Allocation</b>				<b>\$27.47</b>	<b>\$6,866.84</b>
<b>All other fixed cost allocation</b>				<b>\$60.03</b>	<b>\$15,006.63</b>
<b>Project Gross Margins on Labor/Equipment inc. cost of ownership and share of fixed costs (Net Profit per Job)</b>				<b>(\$29.89)</b>	<b>(\$7,473.59)</b>
<b>Cost/Foot (Total)</b>	<b>Material Cost/Foot</b>		<b>Labor Cost/Foot</b>		
<b>Revenue/Ft</b>	<b>Variable Cost/Ft</b>		<b>Ft to Breakeven</b>	<b>Breakeven Price/Ft</b>	

**1 1/2 HP Pump installation**

Number Jobs/Year: 50

Avg Distance to Job 20

Annual Profit Goal \$25,000

Total Est Drilling

Drill Rate/Hr 0

**Revenues**

Pct of All Sales **20.7%**

**Labor & Machinery per Job**

Qty	Material	Unit Price	Total Revenue
4	Service Call	\$75.00	\$300.00
<b>Total Revenues/Job</b>			<b>\$300.00</b>

**Annual Labor/Services**

**\$15,000.00**

**Materials for Resale per Job**

Qty	Material	Unit Price	Total
1	WELLMATE WM6	\$266.50	\$266.50
1	Misc Service Parts	\$75.00	\$75.00
5	3" ELBOW	\$20.25	\$101.25
5	BAKER TANK TEE-12BAT82F	\$81.04	\$405.20
1	1 1/2 HP 7 GPM GS PUMP END	\$750.00	\$750.00

**Materials Revenue**

**\$1,597.95**

**Annual Materials**

**\$79,897.50**

**Total Annual Revenue for Project**

**\$94,897.50**

**Expenses**

**Material Cost**

Qty	Material	Unit Cost	Total Cost
1	WELLMATE WM6	\$130.00	\$130.00
1	Misc Service Parts	\$50.00	\$50.00
5	3" ELBOW	\$9.00	\$45.00
5	BAKER TANK TEE-12BAT82F	\$32.16	\$160.80
1	1 1/2 HP 7 GPM GS PUMP END	\$326.88	\$326.88

**Total Material Cost/Job**

**\$712.68**

**Annual Materials Expense**

**\$35,634.00**

**Labor**

Worker	Time	Base Pay Rate	Pay/Job	benefits/taxes	TTL OT Exp	Total Cost
Jason Proctor	4	\$23.60	\$94.40	\$24.17	\$0.00	\$118.57
<b>Total Direct Labor</b>			<b>\$94.40</b>	<b>\$24.17</b>	<b>\$0.00</b>	<b>\$118.57</b>

**Total Annual Labor Expense**

**\$5,928.32**

**Direct Equipment Costs**

Equipment	Fixed Cost Alloc	Time	Cost/Hour	Total Op Cost	Cost/Mile	Total Mob Cost	Total OP Cost
Service Truck	\$1,831	4			\$0.28	\$11	\$6
<b>Total Equipment Operating Cost (exc Fixed Allocation)</b>						<b>\$11</b>	<b>\$6</b>

**Total Annual Equipment Operating Expense**

**\$278.70**

Summary	Amount over/under goal	\$28,056.48	Per Foot	Per Job	Annually
<b>Project Gross Margins Labor/Equipment</b>				<b>\$1,061.13</b>	<b>\$53,056.48</b>
<b>Project Gross Margins on Materials only</b>				<b>\$885.27</b>	<b>\$44,263.50</b>
<b>Project Gross Margins on Labor/Equipment Components only</b>				<b>\$175.86</b>	<b>\$8,792.98</b>
<b>Capital Equipment Allocation</b>				<b>\$36.62</b>	<b>\$1,831.16</b>
<b>All other fixed cost allocation</b>				<b>\$759.52</b>	<b>\$37,975.77</b>
<b>Project Gross Margins on Labor/Equipment inc. cost of ownership and share of fixed costs (Net Profit per Job)</b>				<b>\$264.99</b>	<b>\$13,249.55</b>
<b>Cost/Foot (Total)</b>	<b>Material Cost/Foot</b>		<b>Labor Cost/Foot</b>		
<b>Revenue/Ft</b>	<b>Variable Cost/Ft</b>		<b>Ft to Breakeven</b>	<b>Breakeven Price/Ft</b>	

## Operating Results Summary

<b>Sales</b>	<b>\$458,348</b>
Materials	\$174,598
Services	\$283,750
<b>Direct Operating Expenses</b>	<b>\$355,502</b>
Materials	\$91,548
Total Labor (Regular Time)	\$41,626
Overtime	\$0
Equipment Operating Expense	\$222,328
<b>Gross Profit</b>	<b>\$102,845</b>

### Fixed Expenses

Contributions	\$500
Telephone	\$800
Advertising	\$100,000
Electricity	\$5,000
Natural Gas	\$10,000
Accounting	\$5,000
Legal	\$2,000
Postage	\$350
Rent/Mortgage	\$24,000
Property Taxes	\$2,000
Waste Disposal	\$520
Memberships/Subscriptions	\$5,000
Uniforms	\$250
Office Equipment	\$5,000
Shop Supplies	\$6,000
Shop Tools	\$2,500
Insurance-Property Damage	\$2,500
Insurance-Builders All Risk	\$3,000
Insurance-Down-hole coverage	\$2,000
Insurance-OCP Liability	\$1,000
Personnel Training	\$4,000
Conventions	\$2,000
Subtotal Overhead	<b>\$183,420</b>

Equipment	Purchase/Replacement Cost	Maintenance	Useful Life	Annual Cost
Rig ONE	\$375,000	\$3,286	12	\$58,322
Rig TWO	\$400,000	\$3,286	12	\$61,991
Service Truck	\$40,000	\$1,200	8	\$8,698
Grouter	\$5,000	\$150	5	\$1,469
Water Truck	\$95,000		12	\$13,943
<b>Annual Equipment Costs</b>				<b>\$144,423</b>

### Uncharged Salary Balances and Other Employee Overhead

	Paid Time off	Non Job-charged Salaries	Total
Michelle Dreiling		\$50,000	\$50,000
Greg Dreiling			
Shaun Dreiling	\$3,600		
Amanda Dreiling	\$1,800		
Bill Ruhl	\$1,920		
Jason Proctor	\$3,587		
<b>Total Other Labor Overhead</b>	<b>\$10,907</b>	<b>\$50,000</b>	<b>\$60,907</b>

**Net Profit** **(\$285,905)**

**Labor Summary**

Wage & Salary Summary	Total Hours	OT Hrs	Time Off	Str Time	OT	Payroll Taxes	Total
Michelle Dreiling		0	160	\$50,000	\$0	\$9,000	\$59,000
Greg Dreiling	250	0	144	\$50,000	\$0	\$11,500	\$61,500
Shaun Dreiling	600	0	176	\$15,000	\$0	\$3,750	\$18,750
Amanda Dreiling		0	128		\$0		
Bill Ruhl	625	0	208	\$7,500	\$0	\$2,055	\$9,555
Jason Proctor	200	0	192	\$4,720	\$0	\$1,208	\$5,928
	1675	0		\$127,220	\$0	\$27,513	\$154,733

**Materials Summary**

Qty	Material	Unit Price	Unit Cost	Total Revenue	Total Cost	Net Revenue	%Margin
3	Out of Town Per Diem	\$125.00	\$125.00	\$18,750.00	\$18,750.00	\$0.00	0.0%
40	6 5/8" 188 WALL CASING	\$19.60	\$9.80	\$39,200.00	\$19,600.00	\$19,600.00	100.0%
12	94LB CEMENT	\$30.00	\$8.44	\$18,000.00	\$5,064.00	\$12,936.00	255.5%
5	3" ELBOW	\$20.25	\$9.00	\$5,062.50	\$2,250.00	\$2,812.50	125.0%
1	1 1/2 HP 7 GPM GS PUMP END	\$750.00	\$326.88	\$37,500.00	\$16,344.00	\$21,156.00	129.4%
5	BAKER TANK TEE-12BAT82F	\$81.04	\$32.16	\$20,260.00	\$8,040.00	\$12,220.00	152.0%
1	WELLMATE WM6	\$266.50	\$130.00	\$13,325.00	\$6,500.00	\$6,825.00	105.0%
2	Misc Service Parts	\$75.00	\$50.00	\$22,500.00	\$15,000.00	\$7,500.00	50.0%
<b>Materials Summary</b>				\$174,597.50	\$91,548.00	\$83,049.50	90.7%

**Equipment Summary**

Equipment	Time	# Jobs	Total Annual Tlme	Capacity	% Utilized
<b>Rig ONE</b>					
125 Drilling	12	50	600		
	12	50	600	1500	40.0%
<b>Service Truck</b>					
Service Calls	3	250	750		
1 1/2 HP Pump installation	4	50	200		
	7	300	950	985	96.4%
<b>Grouter</b>					
125 Drilling	2	50	100		
	2	50	100	2000	5.0%
<b>Water Truck</b>					
125 Drilling	4	50	200		
	4	50	200	1000	20.0%

Equipment	Fixed Cost Alloc	Time	Cost/Hour	Total Op Cost	Cost/Mile	Total Mob Cos	Total OP Cost
<b>Rig ONE</b>							
125 Drilling	\$4,860	12	\$367	\$220,000	\$0.56	\$1,409	\$221,409
Total Operating Cost (exc Fixed Allocation)				\$1,409		\$1,409	\$221,409
<b>Service Truck</b>							
1 1/2 HP Pump inst	\$458	4			\$0.28	\$557	\$557
Service Calls	\$2,289	3			\$0.28	\$2,090	\$2,090
Total Operating Cost (exc Fixed Allocation)				\$2,648		\$2,648	\$2,648
<b>Grouter</b>							
125 Drilling	\$735	2	\$3	\$300			\$300
Total Operating Cost (exc Fixed Allocation)							\$300
<b>Water Truck</b>							
125 Drilling	\$3,486	4					\$0
Total Operating Cost (exc Fixed Allocation)							\$0
Total Equipment Operating Cost (exc Fixed Allocation)				\$4,057		\$4,057	\$224,357