

201409441



Operator: Felix Energy LLC  
 Well Name: Shangri-La 2524-4H  
 Proposed TD: 19568' MD/9017' TVD  
 Location: 24-25 - 15N - 8W  
 Purpose: Drill, complete & equip horizontal well

Date: 11/18/2014  
 Field: Kingfisher, OK  
 County, State: Meramec  
 Objective: AFE No.:

Intangibles		Drilling (830)	Completion (840)	Facility (840)	Total
010	Permits, Licenses, Etc	6,000			6,000
020	Staking & Surveying	8,000			8,000
025	Road, Locations	150,000	30,000	5,000	185,000
030	Damages	50,000			50,000
035	Mobilization/Demobilization	264,000			264,000
040	Daywork Contract 28 days @ \$23500	665,150			665,150
045	Footage Contract				
050	Mouse/Rathole/Conduct Pipe	17,500			17,500
055	Directional Drilling & Surveying	334,500			334,500
060	Bits, Tools, Stabilizers	124,408	45,000		169,408
065	Fuel, Power	206,500	8,750		215,250
070	Drill Water	20,400			20,400
075	Mud & Chemicals	420,000			420,000
080	Mud Logging	30,000			30,000
085	Drill Stem Testing				
090	Core Analysis				
095	Openhole Logging				
100	Cement Services/Float Equip	205,000			205,000
105	Transportation, Trucking	70,800	40,000		110,800
110	Casing Crew & Equipment	60,670			60,670
115	Welding Services	15,000	5,000	10,000	30,000
120	Contract Labor	25,000	17,500		42,500
125	Rental Equipment	150,950	203,500	10,000	364,450
130	Completion Rig		96,000		96,000
135	Coiled Tubing				
140	Cased Hole Logs & Surveys		6,500		6,500
145	Perforating/Wireline Services		505,000		505,000
150	Miscellaneous	20,000	200,000		220,000
155	Acidizing/Fracturing 50 Stage Plug & Perf		4,875,600		4,875,600
160	Well Testing		50,000		50,000
165	Completion Fluids		15,000		15,000
170	Other Services	307,050	62,500		369,550
175	Supervision	125,800	163,600		289,400
180	Overhead	13,396	6,000		19,396
185	Well Control Insurance	19,568			19,568
190	Legal, Title Services	3,000			3,000
195	P&A Costs				
200	Contingency	99,381	110,774		210,155
Subtotal - Intangibles		3,412,073	6,440,724	25,000	9,877,797
Tangibles		Drilling (850)	Completion (860)	Facility (860)	Total
010	Conductor Casing				
015	Surface Casing 1500' 9.625 36# K-55 STC	36,990			36,990
120	Intermediate Casing				
125	Drilling Liner				
130	Production Casing 19568' 5.5 23# P-110 DQX	410,928			410,928
135	Production Liner				
140	Production Tubing 8617' 2.375in Prod Tubing		37,484		37,484
145	Wellhead Equipment	22,000	15,000		37,000
150	Float Equip/Liner Hanger				
155	Nipple/ Valve/ Fitting/Flowline			60,000	60,000
160	Subsurface Equipment		15,000		15,000
165	Surface Equipment			187,000	187,000
170	Supervision			21,600	21,600
175	Hauling			5,000	5,000
180	Compressors				
185	Artificial Lift (surface)				
186	Artificial Lift (downhole)		20,000		20,000
190	Power				
195	Flow Lines			15,000	15,000
200	Pipeline & Metering			15,000	15,000
205	Misc & TCC Contingency				
300	Build Battery			44,000	44,000
Subtotal - Tangibles		469,918	87,484	347,600	905,002
Total AFE		3,881,991	6,528,208	372,600	10,782,799

Felix Energy LLC Approval

Approved by: *[Signature]*

Date: 11-18-14

5/19/15 *[Signature]*

Working Interest Owner Approval

Approved by: \_\_\_\_\_

Date: \_\_\_\_\_

THIS AFE IS ONLY AN ESTIMATE. BY RETURNING ONE SIGNED COPY, PARTY AGREES TO PAY ITS WORKING INTEREST SHARE OF ACTUAL COSTS INCURRED.

