

**CONTINENTAL RESOURCES, INC.**P.O. Box 1032 Enid, OK 73702  
(580) 233-8955**AUTHORITY FOR EXPENDITURE**AFE No. \_\_\_\_\_ Date: 11/11/15 Kum Lease Name & No.: Herod 1-8-5XH

Legal Description: SHL: 200 FSL &amp; 1650 FWL Sec 8-T16N-R12W County: Blaine State: Oklahoma

BHL: 50 FNL &amp; 1650 FWL Sec 5-T16N-R12W

Work Description: Drill and complete Stack, 9833 ft lateral at 10746 ft TVD 5.5 in. cemented long string to 20851 ft; 40 stage frac

Oil Based Mud system

Explorator XXX Development: \_\_\_\_\_ Recompletion: \_\_\_\_\_ Supplemental: \_\_\_\_\_ T.D.: 20,851'

	Estimated Days	43	5	
<b>INTANGIBLES</b>				
Legal expenses	010	\$33,000	010	\$1,000
Damages	020	\$20,000	020	\$1,000
Road & location construction	030	\$178,000	030	\$25,000
Rig Costs	060	\$1,334,000	060	\$255,000
Water	070	\$31,000	070	\$120,000
Drilling mud & chemicals	090	\$401,000	090	\$96,000
Bits & BHA	100	\$185,000	100	\$108,000
Surface rental tools & equipment	110	\$111,000	110	\$144,000
Drill pipe & work string rental	120	\$13,000	120	\$0
Cementing	130	\$58,000	130	\$117,000
Flowback	140	\$0	140	\$52,000
Roustabout Labor	151	\$30,000	151	\$0
Roustabout Transportation	152	\$20,000	152	\$0
Downhole testing and analysis	160	\$34,000	160	\$0
Wireline services	170	\$40,000	170	\$247,000
Rental tanks	210	\$18,000	210	\$14,000
Stimulation services	230	\$0	230	\$3,700,000
Miscellaneous services & contingencies	240	\$176,000	240	\$281,000
Fuel	250	\$218,000	250	\$0
Directional tools and services	280	\$293,000	280	\$15,000
Inspections	290	\$6,000	290	\$0
Casing Crews	300	\$67,000	300	\$50,000
Fishing tools and services	330	\$0	330	\$0
Pumping services	340	\$0	340	\$224,000
Insurance	350	\$0	350	\$0
Mud disposal	360	\$183,000	360	\$461,000
Field office expense - housing	470	\$81,000	470	\$0
Contract supervision	500	\$181,000	500	\$42,000
Overhead	800	\$7,000	800	\$4,000
Drilling Hazard Mitigation	900	\$0	900	\$0

**TOTAL INTANGIBLES**

\$3,718,000 \$5,957,000 \$9,675,000

**TANGIBLES**

Surface Casing	1,500 ft. @ \$ 37.25 /ft.	13 3/8", 54.5#, J-55, STG	510	\$56,000		\$56,000
Intermediate Casing	9060 ft. @ \$ 39.25 /ft.	9 5/8", 40#, P-110, LT&C	520	\$356,000		\$356,000
Production Casing	20,850 ft. @ \$ 22.58 /ft.	5-1/2", 23#, P-110 BTC-XP			530	\$471,000
Toe Initiator Sleeve	0 ft. @ \$ - /ft.		0		530	\$19,000
Surf Equ Trkg/Inst/Lbr					540	\$25,000
Tubing	11,020 ft. @ \$ 5.75 /ft.	2-7/8", 6.5#, L-80, EUE			550	\$68,000
Wellhead Equipment	13-5/8" SOW x 13 3/8" 3K x 11" 5K x 7-1/16" 10K x 2-9/16" 10K		560	\$12,000	560	\$32,000
Packers & Subsurface Equipment					570	\$10,000
Pumping Unit & Prime Mover					580	\$0
Sucker Rods & Pump					590	\$0
Production Facility					600	\$170,000
Flowline, Valves & Connections					610	\$25,000

**TOTAL TANGIBLES**

\$424,000 \$820,000 \$1,244,000

**TOTAL AFE**

\$4,142,000 \$6,777,000 \$10,919,000

**APPROVAL:****Operator:****Non-Operator:**

CONTINENTAL RESOURCES, INC.

Company: \_\_\_\_\_

DEC 08 2015

Operations: \_\_\_\_\_ Geology: \_\_\_\_\_ Land: \_\_\_\_\_

By: \_\_\_\_\_

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

Wt: \_\_\_\_\_ % Date: \_\_\_\_\_

This AFE is only an estimate of the costs to be incurred in conducting the referenced operation. In no event shall this AFE be construed as a representation or warrant as to the accuracy of such estimate, or construed in anyway to limit a participant's responsibility to pay its proportionate share of all costs and expenses incurred in connection with the referenced operations.

