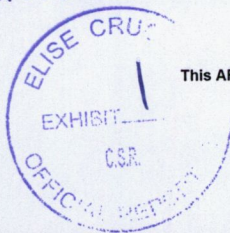


Sections 2 & 11-16N-9W					
STACK	AFE Drill Days: 33				
PROJECT DESCRIPTION & OBJECTIVE:					
Drill and Complete 10,000' LOL					
		AFE #:			
		PROPOSED TD: 8,780' / 19,000' MD			
		DATE: 9/2/2014			
		AFE TYPE: Drill and Complete			
		Original			
DETAIL OF ESTIMATED EXPENDITURES	COST CODE	DRILLING	COMPLETION	FACILITIES	TOTAL
INTANGIBLES		880	881	883	
Base / Field Office Operations (housing, utilities, trash etc.)	101	\$54,774			\$54,774
Cased Hole Electric Wireline	102	\$0	\$412,500		\$412,500
Services - Casing Crews and Running Tools	103	\$68,000	\$0		\$68,000
Services Cementing	105	\$207,000	\$0		\$207,000
Coil Tubing Unit	108				\$0
Communications	109	\$7,772			\$7,772
Consultants	110	\$0	\$200,000	\$3,000	\$203,000
Core / Fluid Analysis	111	\$0		\$10,000	\$10,000
Engineering - Process	115				\$0
Engineering - Structural	116				\$0
Directional Drilling Operations	113	\$386,024			\$386,024
Environmental & Safety Services	117	\$2,000			\$2,000
Fishing Services	119	\$0			\$0
Fluids Disposal (includes transportation)	120	\$19,832	\$0		\$19,832
Services Formation Evaluation	121	\$150,000			\$150,000
Formation Stimulation - Fracturing	122		\$3,135,000		\$3,135,000
Formation Stimulation - Other	123		\$396,000		\$396,000
Inspection - Bottom Hole Assembly	129	\$18,500			\$18,500
Inspection - Casing	130	\$1,500			\$1,500
Inspection - Drill Pipe	131	\$43,000			\$43,000
Inspection - Tubing	133	\$0			\$0
Installation / Removal - Pipeline	135			\$85,000	\$85,000
Labor - Company Supervision	139	\$148,739	\$200,000		\$348,739
Company Labor	140			\$500	\$500
Labor - Contract Employees	141	\$0			\$0
Location Preparation	143	\$135,000	\$50,000		\$185,000
Location Remediation & Maintenance	144	\$201,111	\$20,000		\$221,111
Services Miscellaneous	146	\$101,441	\$200,000		\$301,441
Mud Logging Services	147	\$52,320			\$52,320
Project Management	149				\$0
Drilling & Completion Rig Costs #DIV/0!	150	\$752,527	\$500,000	\$14,000	\$1,266,527
Drilling Well Turnkey Costs	152	\$0			\$0
Rig Mobilization & De-Mobilization	153	\$254,125			\$254,125
Security Services	154	\$0			\$0
Slickline Services	155	\$0			\$0
Survey - Location	156	\$3,000			\$3,000
Survey - Well (not associated with directional drilling)	157	\$2,500			\$2,500
Testing - Well Control Equipment	160	\$35,879			\$35,879
Transportation - Land	162	\$25,832	\$0	\$3,000	\$28,832
Tubular Conveyed Perforating & Drill Stem Testing Services	165	\$0			\$0
Services Welding	166	\$7,500	\$0		\$7,500
Drill Bits	301	\$198,788	\$200,000		\$398,788
Blow-Out Preventor	302	\$33,943			\$33,943
Completion Fluids	304		\$42,000		\$42,000
Compressors	305				\$0
Cranes	307				\$0
Dehydration Unit	309				\$0
Drill String	310	\$63,808			\$63,808
Electrical Repairs	311				\$0
Fuel	313	\$253,828	\$0		\$253,828
Gas Measurement	317			\$34,000	\$34,000
Generators	318				\$0
Rent Lost in Hole	325	\$0			\$0
Rent Miscellaneous Surface Equipment	328	\$34,153	\$400,000	\$50,000	\$484,153
Mud - Drilling	329	\$505,159			\$505,159
Mud Monitoring & Processing Equipment	330	\$76,412			\$76,412
Stabilizer, Under-Reamer, Hole-Opener	341	\$20,221			\$20,221
Tools & Supplies	346			\$85,000	\$85,000
Vapor Recovery System	349			\$20,000	\$20,000
Drilling Water	350	\$9,090	\$0		\$9,090
Water Handling Equipment	351				\$0
Drilling Insurance	501	\$0			\$0
Legal Fees	503	\$3,000	\$0		\$3,000
Regulatory Compliance	511	\$0			\$0
Overhead	965	\$16,527	\$300,000		\$316,527
Subtotal - Intangibles		\$3,893,304	\$6,055,500	\$304,500	\$10,253,304
TANGIBLES		880	881	883	
Oil Measurement Equipment	332				\$0
Line Pipe & Battery Fittings	335				\$0
Pumps	336				\$0
Separators	340			\$62,000	\$62,000
Stock Tanks	345			\$65,000	\$65,000
Treaters	347				\$0
Artificial Lift	601			\$25,000	\$25,000
Casing Accessories	602	\$25,000			\$25,000
Miscellaneous Tangible Equipment	603				\$0
Packers / Anchors / Liner Hangers	604	\$0		\$0	\$0
Water Casing (Conductor Casing)	607	\$0			\$0
Pipe Surface Casing (\$48 / ft)	608	\$72,000			\$72,000
Pipe Intermediate Casing	609	\$0			\$0
Production Casing/Liner #VALUE!	610	\$537,196			\$537,196
Pipe Casing Liner	611	\$0			\$0
Tubing	613			\$50,000	\$50,000
Rods	614			\$0	\$0
Tubing Accessories	616				\$0
Wellhead	617	\$22,500			\$22,500
Subtotal - Tangibles		\$656,696	\$0	\$202,000	\$858,696
AFE TOTAL		\$4,550,000.00	\$6,055,500.00	\$506,500.00	\$11,112,000.00

CD2051665-T



This AFE is only an estimate. By returning one signed copy the undersigned hereby agrees to pay its share of all the actual costs incurred in this operation.

NAME: _____
 PRINTED NAME: _____
 TITLE: _____

COMPANY: _____
 DATE: _____

6-2-15