CONTINENTAL RESOURCES, INC. P.O. Box 1032 Enid, OK 73702 (580) 233-8955

AUTHORITY FOR EXPENDITURE

| AFE No.: | Date | : 05/27/16 | | Lease | Name & No.: | Swain | n 1-14H | | |
|----------------------------------|--|--|-----------------------------|---------------|----------------------------|-----------------|-----------------------|-----------------------|--|
| Legal Description: | SHL: 252' FNL & 15 | | | | Cc | ounty: | Blaine State: | Oklahoma | |
| Nork Description: | BHL; 50' FNL & 165 Drill and complete M | | | TVD 5 | ,5 in. cemented lor | ig string | to 15718 ft; 20 stage | frac | |
| | Oil Based Mud syste | em | | | | | | | |
| Exploration XXX | Development: Recompletion: | | | Supplemental: | | | T.D | T.D.: 15,718' | |
| | | | Estimated Days | | 31 | | 4 | | |
| NTANGIBLES | | | | Code | Dry Hole | Code | Completion | Total | |
| egal expenses | | | | 010 | \$33,000 | 010 | \$1,000 | \$34,000 | |
| amages | | | ··- | 020 | \$20,000 | 020 | \$1,000 | \$21,000 | |
| oad & location construct | tion | | | 030 | \$178,000 | 030 | \$25,000 | \$203,000 | |
| ig Costs | · · · · · · · · · · · · · · · · · · · | | | 060 | \$1,022,000 | 060 | \$154,000 | \$1,176,000 | |
| /ater rilling mud & chemicals | | | | 090 | \$26,000 \$342,000 | 090 | \$56,000 \$58,344 | \$82,000 \$400,344 | |
| ts & BHA | - | | | 100 | \$214,000 | 100 | \$51,000 | \$265,000 | |
| urface rental tools & equ | inment | | | 110 | \$79,000 | 110 | \$80,000 | \$159,000 | |
| rill pipe & work string re | | | | 120 | \$13,000 | 120 | \$0 | \$13,000 | |
| ementing | iitai | | | 130 | \$45,000 | 130 | \$82,000 | \$127,000 | |
| lowback | | | | 140 | \$0 | 140 | \$52,000 | \$52,000 | |
| oustabout Labor | | | | 151 | \$30,000 | 151 | \$0 | \$30,000 | |
| oustabout Transportatio | on | | | 152 | \$20,000 | 152 | \$0 | \$20,000 | |
| ownhole testing and an | | | | 160 | \$27,000 | 160 | \$0 | \$27,000 | |
| /ireline services | | | | 170 | \$40,000 | 170 | \$124,000 | \$164,000 | |
| ental tanks | | | | 210 | \$16,000 | 210 | \$14,000 | \$30,000 | |
| timulation services | | | · | 230 | \$0 | 230 | \$1,343,000 | \$1,343,000 | |
| iscellaneous services & | contingencies | | | 240 | \$160,000 | 240 | \$0 | \$160,000 | |
| nel | | - | | 250 | \$203,000 | 250 | \$0 | \$203,000 | |
| irectional tools and serv | rices | | | 280 | \$176,000 | 280 | \$15,000 | \$191,000 | |
| spections | | ···· · · · · · · · · · · · · · · · · · | | 290 | \$6,000 | 290 | \$0 | \$6,000 | |
| asing Crews | | | | 300 | \$32,000 | 300 | \$25,000 | \$57,000 | |
| shing tools and service | 5 | | | 330 | \$0 | 330 | \$0 | \$0 | |
| umping services | | | | 340 | \$0 | 340 | \$119,000 | \$119,000 | |
| surance | | | | 350 | \$0 | 350 | \$0 | \$0 | |
| ud disposal | | | | 360 | \$183,000 | 360 | \$100,980 | \$283,980 | |
| ield office expense - hor | using | | | 470 | \$39,000 | 470 | \$0 | \$39,000 | |
| ontract supervision | | | | 500 | \$116,000 | 500 | \$37,000 | \$153,000 | |
| SSE Consultant/Trainin | g | | | 508 | \$10,000 | 508 | \$0 | \$10,000 | |
| acility Overhead | | | | 750 | \$15,000 | 750 | \$0 | \$15,000 | |
| verhead | | | | 800 | \$15,000 | 800 | \$0 | \$15,000 | |
| eologic, Eng & Tech | | | | 850 | \$30,000 | 850 | \$0 | \$30,000 | |
| rilling Hazard Mitigation | 1 | | | 900 | \$65,000 | 900 | \$0 | \$65,000 | |
| FOTAL INTANGI | BLES . | | | | \$3,155,000 | | \$2,338,324 | \$5,493,324 | |
| TANGIBLES | | | | | | | | | |
| Surface Casing | 1,500 ft. @ | \$ 28.00 /ft. | 13 3/8", 54.5#, J-55, ST&C | 510 | \$42,000 | | | \$42,000 | |
| ntermediate Casing | 8930 fl. @ | \$ 31.00 /ft. | 9 5/8", 40#, P-110, LT&C | 520 | \$277,000 | | | \$277,000 | |
| roduction Casing | 15,720 fl. @ | \$ 19.00 /ft. | 5-1/2", 20#, P-110 BTC | | \$299,000 | 530 | | \$299,000 | |
| oe Initiator Sleeve | 0 ft. @ | \$ - /ft. | | 0 | | 530 | \$19,000 | \$19,000 | |
| urf Equ Trkg/Inst/Lbr | | | | | | 540 | \$25,000 | \$25,000 | |
| ubing | 11,120 ft.@ | \$ 5.75 /ft. | 2-7/8", 6.5#, L-80, EUE | | <u> </u> | 550 | \$69,000 | \$69,000 | |
| Vellhead Equipment | 13-5/8" SOW x 13 3/8" 3F | (x 11" 5K x 7-1/16" 10) | (x 2-9/16" 10K | 560 | \$12,000 | 560 | \$32,000 | \$44,000 | |
| ackers & Subsurface Ed | | | | \perp | | 570 | \$10,000 | \$10,000 | |
| umping Unit & Prime Me | over | | | | | 580 | \$0 | \$0 | |
| ucker Rods & Pump | | | | \perp | | 590 | \$0 | \$0 | |
| roduction Facility | | | | | | 600 | \$170,000 | \$170,000 | |
| lowline, Valves & Conn | ections | | | | | 610 | \$25,000 | \$25,000 | |
| TOTAL TANGIBL | <u>.ES</u> | | | | \$630,000 | <u> </u> | \$350,000 | \$980,000 | |
| TOTAL AFE | | | | | \$3,785,000 | \$2,688,324 \$6 | | \$6,473,324 | |
| APPROVAL: | | | | | | | | | |
| Operator: | | | | | Non-Operator: | | | | |
| CONTINENTAL RES | SOURCES, INC. | | | | Company: | | ··· | | |
| Operations: | Geology: | La | and | | Ву: | | | | |
| Date: | | | | | WI: | _% | Date: | | |
| This AFE ! | only an estimate of the costs to b | e incurred in conduction | the referenced according to | | null this AFF has constant | | | \neg | |
| | | | | | | | | | |
| | rant as to the accuracy of such e | | | s responsi | виту to pay its proportion | ate share o | 1 40 | | |
| costs and ex | penses incurred in connection w | un the referenced operat | ions. | | | | | | |

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