


Franklin 1H-1X			
TARGET FORMATION: MRMC	AFE Drill Days =29		
PROJECT DESCRIPTION & OBJECTIVE:	SPUD TO RR =24		
Drill and Complete 10,000' lateral.			
AFE #:		PROPOSED TC 8,775 TVD / 19079 MD	
AFE TYPE: Drill and Complete		Original	

DETAIL OF ESTIMATED EXPENDITURES	COST CODE	DRILLING	COMPLETION	FACILITIES	ART LIFT	TOTAL
INTANGIBLES		880	881	883	882	
Base / Field Office Operations (housing, utilities, trash etc.)	101	\$41,164	\$30,000	\$0	\$0	\$71,164
Cased Hole Electric Wireline	102	\$0	\$515,000	\$0	\$0	\$515,000
Services - Casing Crews and Running Tools	103	\$35,000	\$50,000	\$0	\$6,000	\$91,000
Services Cementing/Coil Tubing Unit	105	\$125,000	\$0	\$0	\$0	\$125,000
Communications	109	\$6,616	\$0	\$0	\$0	\$6,616
Consultants	110	\$0	\$150,000	\$365	\$0	\$150,365
Core / Fluid Analysis	111	\$0	\$0	\$0	\$1,800	\$1,800
Directional Drilling Operations	113	\$408,566	\$0	\$0	\$0	\$408,566
Environmental & Safety Services	117	\$1,970	\$35,000	\$0	\$0	\$36,970
Fishing Services	119	\$0	\$0	\$0	\$0	\$0
Fluids Disposal (includes transportation)	120	\$107,820	\$20,000	\$0	\$0	\$127,820
Services Formation Evaluation	121	\$0	\$0	\$0	\$0	\$0
Formation Stimulation - Fracturing	122	\$0	\$3,020,000	\$0	\$0	\$3,020,000
Formation Stimulation - Other	123	\$0	\$20,000	\$0	\$0	\$20,000
Hot Oiling Services	128	\$0	\$9,000	\$0	\$0	\$9,000
Inspection - Bottom Hole Assembly	129	\$5,000	\$0	\$0	\$0	\$5,000
Inspection - Casing	130	\$0	\$0	\$0	\$0	\$0
Inspection - Drill Pipe	131	\$25,000	\$0	\$0	\$0	\$25,000
Inspection - Tubing	133	\$0	\$2,000	\$0	\$0	\$2,000
Installation / Removal - Pipeline	135	\$0	\$0	\$0	\$0	\$0
Labor - Company Supervision	139	\$88,208	\$0	\$0	\$0	\$88,208
Company Labor	140	\$0	\$0	\$0	\$4,000	\$12,500
Labor - Contract Employees	141	\$0	\$0	\$63,000	\$0	\$63,000
Location Preparation	143	\$190,000	\$1,000	\$10,000	\$0	\$201,000
Location Remediation & Maintenance	144	\$161,250	\$12,500	\$0	\$0	\$173,750
Services Miscellaneous	146	\$52,811	\$6,500	\$0	\$10,700	\$70,011
Mud Logging Services	147	\$23,926	\$0	\$0	\$0	\$23,926
Drilling & Completion Rig Costs (\$0 / day)	150	\$627,012	\$215,000	\$0	\$20,000	\$862,012
Drilling Well Turnkey Costs	152	\$0	\$0	\$0	\$0	\$0
Rig Mobilization & De-Mobilization	153	\$0	\$0	\$0	\$0	\$0
Security Services	154	\$0	\$15,000	\$0	\$0	\$15,000
Slickline Services	155	\$0	\$0	\$0	\$3,500	\$3,500
Survey - Location	156	\$0	\$0	\$0	\$0	\$0
Survey - Well (not associated with directional drilling)	157	\$2,440	\$0	\$0	\$0	\$2,440
Testing - Well Control Equipment	160	\$0	\$8,000	\$0	\$0	\$8,000
Transportation - Land	162	\$9,703	\$25,000	\$10,000	\$10,000	\$54,703
Tubular Conveyed Perforating & Drill Stem Testing Services	165	\$0	\$0	\$0	\$0	\$0
Services Welding	166	\$3,000	\$0	\$0	\$0	\$3,000
Drill Bits	301	\$127,500	\$10,000	\$0	\$0	\$137,500
Blow-Out Preventor	302	\$23,522	\$65,000	\$0	\$0	\$88,522
Completion Fluids	304	\$0	\$5,000	\$0	\$0	\$5,000
Cranes	307	\$0	\$10,000	\$10,000	\$0	\$20,000
Drill String	310	\$37,875	\$0	\$0	\$0	\$37,875
Inspection - Drill Pipe	311	\$0	\$0	\$0	\$0	\$0
Fuel	313	\$48,514	\$235,000	\$0	\$0	\$283,514
Gas Measurement	317	\$0	\$0	\$20,000	\$0	\$20,000
Rent Lost in Hole	325	\$0	\$0	\$0	\$0	\$0
Rent Miscellaneous Surface Equipment	328	\$13,541	\$195,000	\$37,000	\$10,000	\$255,541
Mud - Drilling	329	\$222,332	\$0	\$0	\$0	\$222,332
Mud Monitoring & Processing Equipment	330	\$55,865	\$0	\$0	\$0	\$55,865
Water Handling Equipment	336	\$0	\$0	\$0	\$5,000	\$5,000
Stabilizer, Under-Reamer, Hole-Opener	341	\$11,761	\$0	\$0	\$0	\$11,761
Vapor Recovery System	349	\$0	\$0	\$0	\$0	\$0
Drilling Water	350	\$8,086	\$480,000	\$0	\$4,000	\$492,086
Water Handling Equipment	351	\$0	\$0	\$0	\$0	\$0
Drilling Insurance	501	\$10,000	\$0	\$0	\$0	\$10,000
Legal Fees	503	\$15,000	\$0	\$0	\$0	\$15,000
Regulatory Compliance	511	\$1,500	\$0	\$0	\$0	\$1,500
Overhead	965	\$14,701	\$0	\$0	\$0	\$14,701
Subtotal - Intangibles		\$2,504,683	\$5,134,000	\$158,865	\$75,000	\$7,872,548
TANGIBLES		880	881	883	882	
Heaters - Indirect Lin	321	\$0	\$0	\$0	\$0	\$0
Oil Measurement Equipment	332	\$0	\$0	\$0	\$0	\$0
Line Pipe & Battery Fittings	335	\$0	\$0	\$73,000	\$0	\$73,000
Separators	340	\$0	\$0	\$25,000	\$0	\$25,000
Stock Tanks	345	\$0	\$0	\$62,000	\$0	\$62,000
Treaters	347	\$0	\$0	\$58,000	\$0	\$58,000
Artificial Lift	601	\$0	\$0	\$0	\$15,000	\$15,000
Casing Accessories	602	\$26,000	\$0	\$0	\$0	\$26,000
Packers / Anchors / Liner Hangers	604	\$0	\$0	\$0	\$0	\$0
Water Casing (Conductor Casing)	607	\$10,000	\$0	\$0	\$0	\$10,000
Pipe Surface Casing (\$28 / ft)	608	\$60,000	\$0	\$0	\$0	\$60,000
Pipe Intermediate Casing	609	\$0	\$0	\$0	\$0	\$0
Production Casing/Liner (\$25 / ft)	610	\$496,054	\$0	\$0	\$0	\$496,054
Pipe Casing Liner	611	\$0	\$0	\$0	\$0	\$0
Tubing	613	\$0	\$0	\$0	\$55,000	\$55,000
Rods	614	\$0	\$0	\$0	\$0	\$0
Tubing Accessories	616	\$0	\$0	\$0	\$5,000	\$5,000
Wellhead	617	\$22,000	\$30,000	\$0	\$0	\$52,000
Subtotal - Tangibles		\$614,054	\$30,000	\$218,000	\$75,000	\$937,054
AFE TOTAL		\$3,118,737	\$5,164,000	\$376,865	\$150,000	\$8,809,602

Scope By	Prepared By	Prepared By	Prepared By	Prepared By
Kirk Fields	Cody Bass	Nathan Perego	Nathan Perego	Nathan Perego
Date Modified	Date Modified	Date Modified	Date Modified	Date Modified
7/8/2015	7/8/2015	7/8/2015	7/8/2015	7/8/2015

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

NAME: _____
 PRINTED NAME: _____
 TITLE: _____

COMPANY: _____
 DATE: _____