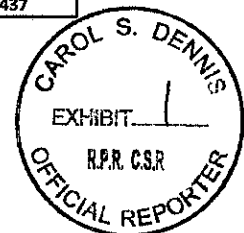


MRO AUTHORIZATION FOR EXPENDITURE	
DETAIL OF ESTIMATED WELL CONSTRUCTION COSTS	
Well Name: ML100018N06W01H	Date: 10/12/2016
County: KINGFISHER	AFE #: DX.15.41883
Formation: MISS LIME	MD: 12,500
	Costs
<b>DRILLING COSTS - TANGIBLE</b>	
Surface Casing	\$23,300
Intermediate Casing	\$148,800
Production Casing	\$61,040
Wellhead Equip & Csg Access	\$83,000
<b>TOTAL DRILLING COSTS - TANGIBLE</b>	<b>\$316,140</b>
<b>DRILLING COSTS - INTANGIBLE</b>	
Location and Access	\$345,500
Rig Move	\$90,000
Drilling Rig	\$556,050
Directional Services	\$232,500
Mud Fluids & Services	\$150,000
Solids Control	\$21,245
Bits	\$164,000
Casing Crew and Services	\$17,500
Cementing Service	\$35,000
Rental Equipment	\$195,460
Fuel	\$106,155
Water & Water Services	\$65,000
Logging Services	\$31,600
Inspection Services	\$20,000
Contract Labor	\$30,000
Freight	\$20,000
Misc Materials & Equipment	\$33,700
Telecom Services	\$5,055
Supervision & Overhead	\$176,100
HES Equip & Service	\$28,982
Air Drilling Services	\$0
Coring & Analysis	\$0
Contingency	\$100,000
<b>TOTAL DRILLING COSTS - INTANGIBLE</b>	<b>\$2,423,847</b>
<b>TOTAL DRY HOLE COSTS</b>	<b>\$2,584,405</b>
<b>TOTAL DRILLING COSTS</b>	<b>\$2,739,987</b>
<b>COMPLETION COSTS - TANGIBLE</b>	
Tubing & Accessories	\$53,200
Artificial Lift	\$12,000
Wellhead Equipment	\$27,800
<b>TOTAL COMPLETION COSTS - TANGIBLE</b>	<b>\$93,000</b>
<b>COMPLETION COSTS - INTANGIBLE</b>	
Location and Access	\$7,500
Completion Rig	\$25,000
Coiled Tubing	\$100,000
Rental Equipment	\$156,700
Snubbing	\$0
Pulling/Swab Units	\$0
Fuel	\$0
Casing Crews	\$0
Cement	\$0
Well Testing /Flowback	\$85,500
Fracturing Services	\$1,319,500
Acidizing and N2 Services	\$10,000
Perforating and Wireline Services	\$114,500
Cased Hole Logging	\$17,000
Comp Fluids & Services	\$130,675
Water & Water Services	\$198,225
Freight	\$23,000
Inspection Services	\$4,000
Misc Materials & Equip	\$10,000
Frac Plugs	\$42,000
Contract Labor	\$49,500
Telecom Services	\$0
HES Equip & Service	\$114,250
Supervision & Overhead	\$134,900
Tracers	\$0
Surface Facilities	\$397,200
Contingency	\$0
<b>TOTAL COMPLETION COSTS - INTANGIBLE</b>	<b>\$2,939,450</b>
<b>TOTAL COMPLETION COSTS</b>	<b>\$3,032,450</b>
<b>TOTAL WELL COSTS</b>	<b>\$5,772,437</b>

SIGNATURE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_



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 any way to limit a participant's responsibility to pay its proportionate share of all costs and expenses incurred in connection with the referenced operations.

NOV 22 2016