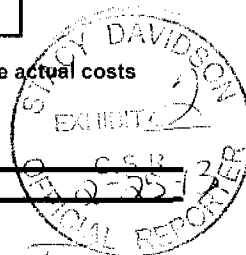


WELL: Okarche 1H-12X		<div>NEWFIELD</div>			
PLAY TYPE: AFE Drill Days = 45					
PROJECT DESCRIPTION & OBJECTIVE: 10230' LOL		AFE #:			
5 Day Move, 41 Days Spud to RR		PROPOSED TD: 8,713 TVD /		19,239 MD	
		DATE: 1/31/2013			
		AFE TYPE: Drill and Complete			
		Original			
DETAIL OF ESTIMATED EXPENDITURES	COST CODE	DRILLING	COMPLETION	FACILITIES	TOTAL
INTANGIBLES		880	881	883	
Base / Field Office Operations (housing, utilities, trash etc.)	101	\$75,993			\$75,993
Cased Hole Electric Wireline	102	\$0	\$300,000		\$300,000
Services - Casing Crews and Running Tools	103	\$88,000	\$0		\$88,000
Services Cementing	105	\$142,000	\$0		\$142,000
Coil Tubing Unit	108				\$0
Communications	109	\$12,199			\$12,199
Consultants	110	\$0	\$40,000		\$40,000
Core / Fluid Analysis	111	\$0			\$0
Engineering - Process	115				\$0
Engineering - Structural	116				\$0
Directional Drilling Operations	113	\$407,777			\$407,777
Environmental & Safety Services	117	\$37,996			\$37,996
Fishing Services	119	\$0			\$0
Fluids Disposal (includes transportation)	120	\$26,997	\$0		\$26,997
Services Formation Evaluation	121	\$0			\$0
Formation Stimulation - Fracturing	122		\$3,665,000		\$3,665,000
Formation Stimulation - Other	123		\$145,000		\$145,000
Inspection - Bottom Hole Assembly	129	\$20,500			\$20,500
Inspection - Casing	130	\$17,000			\$17,000
Inspection - Drill Pipe	131	\$19,500			\$19,500
Inspection - Tubing	133	\$0			\$0
Installation / Removal - Pipeline	135				\$0
Labor - Company Supervision	139	\$170,982	\$101,500		\$272,482
Company Labor	140				\$0
Labor - Contract Employees	141	\$0		\$55,000	\$55,000
Location Preparation	143	\$145,000	\$30,000		\$175,000
Location Remediation & Maintenance	144	\$152,950	\$50,000		\$202,950
Services Miscellaneous	146	\$109,990	\$54,750		\$164,740
Mud Logging Services	147	\$34,496			\$34,496
Project Management	149				\$0
Drilling & Completion Rig Costs (\$25,495 / day)	150	\$1,147,152	\$350,000		\$1,497,152
Drilling Well Turnkey Costs	152	\$0			\$0
Rig Mobilization & De-Mobilization	153	\$227,475			\$227,475
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	\$4,500			\$4,500
Testing - Well Control Equipment	160	\$27,000			\$27,000
Transportation - Land	162	\$46,997	\$17,100		\$64,097
Tubular Conveyed Perforating & Drill Stem Testing Services	165	\$0			\$0
Services Welding	166	\$10,000	\$3,700		\$13,700
Drill Bits	301	\$205,000	\$150,000		\$355,000
Blow-Out Preventor	302	\$35,996			\$35,996
Completion Fluids	304		\$2,000		\$2,000
Compressors	305				\$0
Cranes	307				\$0
Dehydration Unit	309				\$0
Drill String	310	\$81,785			\$81,785
Electrical Repairs	311				\$0
Fuel	313	\$275,959	\$2,000		\$277,959
Gas Measurement	317				\$0
Generators	318				\$0
Rent Lost in Hole	325	\$0			\$0
Rent Miscellaneous Surface Equipment	328	\$47,195	\$350,000		\$397,195
Mud - Drilling	329	\$559,396			\$559,396
Mud Monitoring & Processing Equipment	330	\$76,493			\$76,493
Stabilizer, Under-Reamer, Hole-Opener	341	\$33,998			\$33,998
Tools & Supplies	346				\$0
Vapor Recovery System	349				\$0
Drilling Water	350	\$12,374	\$20,000		\$32,374
Water Handling Equipment	351				\$0
Drilling Insurance	501	\$10,000			\$10,000
Legal Fees	503	\$15,000	\$0		\$15,000
Regulatory Compliance	511	\$1,500			\$1,500
Overhead	965	\$22,498	\$3,000		\$25,498
Subtotal - Intangibles		\$4,304,697	\$5,284,050	\$55,000	\$9,643,747
TANGIBLES		880	881	883	
Oil Measurement Equipment	332			\$18,200	\$18,200
Line Pipe & Battery Fittings	335			\$60,000	\$60,000
Pumps	336				\$0
Separators	340			\$14,000	\$14,000
Stock Tanks	345			\$40,000	\$40,000
Treaters	347			\$33,000	\$33,000
Artificial Lift	601			\$25,000	\$25,000
Casing Accessories	602	\$43,503			\$43,503
Miscellaneous Tangible Equipment	603				\$0
Packers / Anchors / Liner Hangers	604	\$0		\$0	\$0
Water Casing (Conductor Casing)	607	\$72,000			\$72,000
Pipe Surface Casing	608	\$0			\$0
Pipe Intermediate Casing (\$46 / ft)	609	\$322,000			\$322,000
Production Casing/Liner (\$30 / ft)	610	\$527,760		\$0	\$527,760
Pipe Casing Liner	611	\$0			\$0
Tubing	613			\$54,700	\$54,700
Rods	614			\$0	\$0
Tubing Accessories	616			\$7,500	\$7,500
Wellhead	617	\$30,040			\$30,040
Subtotal - Tangibles		\$995,303	\$0	\$252,400	\$1,247,703
AFE TOTAL		\$5,300,000.00	\$5,284,050	\$307,400	\$10,891,450
Scope By Andy Howell Date Modified 11/17/2012		Prepared By Brett Crump Date Modified 11/21/2012	Prepared By Kirk Fields Date Modified 11/26/2012	Prepared By Zach Hadden Date Modified 11/26/2012	

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: _____



CD-2012-8462-T