

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

AFE No.: \_\_\_\_\_ Date: 05/05/16 Lease Name &amp; No.: Bird 1-36-1XH

Legal Description: SHL: 150 FNL &amp; 2330 FEL Sec 36-T13N-R13W County: Blaine State: Oklahoma

BHL: 30 FSL &amp; 330 FWL Sec 1-T12N-R13W

Work Description: Drill and complete Woodford, 9971 ft lateral at 15216 ft TVD 5.5 in. cemented long string to 25420 ft, 42 stage frac

Oil Based Mud system

Exploration **XXX** Development \_\_\_\_\_ Recompletion: \_\_\_\_\_ Supplemental: \_\_\_\_\_ T.D.: 25,420'

	Estimated Days	72	6	
<b>INTANGIBLES</b>		<b>Dry Hole</b>	<b>Completion</b>	<b>Total</b>
Legal expenses	010	\$43,000	\$1,000	\$44,000
Damages	020	\$25,000	\$1,000	\$26,000
Road & location construction	030	\$191,000	\$51,000	\$242,000
Rig Costs	060	\$2,263,000	\$295,000	\$2,558,000
Water	070	\$22,000	\$116,000	\$138,000
Drilling mud & chemicals	090	\$1,028,000	\$144,500	\$1,172,500
Bits & BHA	100	\$230,000	\$144,000	\$374,000
Surface rental tools & equipment	110	\$188,000	\$140,000	\$328,000
Drill pipe & work string rental	120	\$16,000	\$45,000	\$61,000
Cementing	130	\$58,000	\$87,000	\$145,000
Flowback	140	\$0	\$52,000	\$52,000
Roustabout Labor	151	\$30,000	\$0	\$30,000
Roustabout Transportation	152	\$20,000	\$0	\$20,000
Downhole testing and analysis	160	\$30,000	\$0	\$30,000
Wireline services	170	\$50,000	\$238,000	\$288,000
Rental tanks	210	\$29,000	\$14,000	\$43,000
Stimulation services	230	\$0	\$3,570,000	\$3,570,000
Miscellaneous services & contingencies	240	\$302,000	\$285,000	\$587,000
Fuel	250	\$479,000	\$0	\$479,000
Directional tools and services	280	\$474,000	\$0	\$474,000
Inspections	290	\$10,000	\$0	\$10,000
Casing Crews	300	\$32,000	\$25,000	\$57,000
Fishing tools and services	330	\$0	\$0	\$0
Pumping services	340	\$0	\$294,000	\$294,000
Insurance	350	\$0	\$0	\$0
Mud disposal	360	\$155,000	\$462,000	\$617,000
Field office expense - housing	470	\$100,000	\$0	\$100,000
Contract supervision	500	\$312,000	\$44,000	\$356,000
Overhead	800	\$30,000	\$15,500	\$45,500
Drilling Hazard Mitigation	900	\$65,000	\$0	\$65,000
<b>TOTAL INTANGIBLES</b>		<b>\$6,182,000</b>	<b>\$6,024,000</b>	<b>\$12,206,000</b>
<b>TANGIBLES</b>				
Surface Casing 1,500 ft @ \$ 40.00 /ft. 13 3/8" 54.5# J-55, ST8	510	\$60,000		\$60,000
Intermediate Casing 11620 ft @ \$ 31.26 /ft. 9 5/8" 40# P-110, LT&C	520	\$363,000		\$363,000
Production Casing 25,420 ft @ \$ 19.50 /ft. 5-1/2" 23# P-110 BTC-XP			530 \$490,000	\$490,000
Toe Initiator Sleeve			530 \$19,000	\$19,000
Surf Equ Trkg/Inst/Lbr			540 \$53,000	\$53,000
Tubing 15,560 ft @ \$ 5.75 /ft. 2-7/8" 6.5# L-80, EUE			550 \$96,000	\$96,000
Wellhead Equipment 13-5/8" SOW x 13 3/8" 3K x 11" 5K x 7-1/16" 10K x 2-9/16" 10K	560	\$22,500	560 \$22,500	\$45,000
Packers & Subsurface Equipment			570 \$0	\$0
Pumping Unit & Prime Mover			580 \$0	\$0
Sucker Rods & Pump			590 \$0	\$0
Production Facility			600 \$166,500	\$166,500
Flowline, Valves & Connections			610 \$65,000	\$65,000
<b>TOTAL TANGIBLES</b>		<b>\$457,000</b>	<b>\$918,000</b>	<b>\$1,375,000</b>
<b>TOTAL AFE</b>		<b>\$6,639,000</b>	<b>\$6,942,000</b>	<b>\$13,581,000</b>



MAY 24 2016

**APPROVAL:****Operator:**

CONTINENTAL RESOURCES, INC.

**Non-Operator:**

Company: \_\_\_\_\_

Operations: \_\_\_\_\_ Geology: \_\_\_\_\_ Land: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Wt: \_\_\_\_\_ % Date: \_\_\_\_\_

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