



Authority for Expenditure Drilling, Completion, Facilities

WELL NAME: BATT 1H-6X
AFE NO. 45058
RC NO. 500395433
Date: 9/22/2015

OPERATOR:	STATE	COUNTY	SECTION	TOWNSHIP	RANGE	PROPOSED TD	
Newfield Exploration-Mid Continent	OK	KINGFISHER	6 & 7	17N	8W	8,365 TVD /18,580 MD	
DRILLING COMMENTS		COMPLETION COMMENTS			FACILITIES		
DETAIL OF ESTIMATED EXPENDITURES		COST CODE	DRILLING	COMPLETION	FACILITIES	ART. LIFT	TOTAL
INTANGIBLES							
Base / Field Office Operations	101	\$ 41,657.00	\$	30,000.00	\$ -	\$ -	\$ 71,657.00
Cased Hole Electric Wireline	102	\$ -	\$	515,000.00	\$ -	\$ 10,000.00	\$ 525,000.00
Services - Casing Crews and Running Tools	103	\$ 90,000.00	\$	50,000.00	\$ -	\$ 4,500.00	\$ 144,500.00
Services Cementing/Coil Tubing Unit	105	\$ 200,000.00	\$	-	\$ -	\$ -	\$ 200,000.00
Communications	109	\$ 6,695.00	\$	-	\$ -	\$ -	\$ 6,695.00
Consultants	110	\$ -	\$	150,000.00	\$ -	\$ -	\$ 150,000.00
Core / Fluid Analysis	111	\$ -	\$	-	\$ -	\$ 2,500.00	\$ 2,500.00
Directional Drilling Operations	113	\$ 399,058.00	\$	-	\$ -	\$ -	\$ 399,058.00
Environmental & Safety Services	117	\$ 1,994.00	\$	35,000.00	\$ -	\$ -	\$ 36,994.00
Fishing Services	119	\$ -	\$	-	\$ -	\$ -	\$ -
Fluids Disposal (includes transportation)	120	\$ 109,112.00	\$	20,000.00	\$ -	\$ -	\$ 129,112.00
Services Formation Evaluation	121	\$ -	\$	-	\$ -	\$ -	\$ -
Formation Stimulation - Fracturing	122	\$ -	\$	3,020,000.00	\$ -	\$ -	\$ 3,020,000.00
Formation Stimulation - Other	123	\$ -	\$	20,000.00	\$ -	\$ -	\$ 20,000.00
Hot Oiling Services	128	\$ -	\$	9,000.00	\$ -	\$ -	\$ 9,000.00
Inspection - Bottom Hole Assembly	129	\$ 5,000.00	\$	-	\$ -	\$ -	\$ 5,000.00
Inspection - Casing	130	\$ -	\$	-	\$ -	\$ -	\$ -
Inspection - Drill Pipe	131	\$ 25,000.00	\$	-	\$ -	\$ -	\$ 25,000.00
Inspection - Site	132	\$ -	\$	-	\$ -	\$ -	\$ -
Inspection - Tubing	133	\$ -	\$	2,000.00	\$ -	\$ -	\$ 2,000.00
Installation / Removal - Pipeline	135	\$ -	\$	-	\$ -	\$ -	\$ -
Instrumentation	138	\$ -	\$	-	\$ -	\$ -	\$ -
Labor - Company Supervision	139	\$ 89,265.00	\$	-	\$ -	\$ -	\$ 89,265.00
Company Labor	140	\$ -	\$	-	\$ 7,000.00	\$ 2,000.00	\$ 9,000.00
Labor - Contract Employees	141	\$ -	\$	-	\$ 42,000.00	\$ -	\$ 42,000.00
Location Preparation	143	\$ 100,000.00	\$	1,000.00	\$ 15,000.00	\$ -	\$ 116,000.00
Location Remediation & Maintenance	144	\$ 160,625.00	\$	12,500.00	\$ 2,000.00	\$ -	\$ 175,125.00
Services Miscellaneous	146	\$ 53,007.00	\$	6,500.00	\$ -	\$ 5,000.00	\$ 64,507.00
Mud Logging Services	147	\$ 24,229.00	\$	-	\$ -	\$ -	\$ 24,229.00
Drilling & Completion Rig Costs	150	\$ 743,877.00	\$	215,000.00	\$ -	\$ 15,000.00	\$ 973,877.00
Drilling Well Turnkey Costs	152	\$ -	\$	-	\$ -	\$ -	\$ -
Rig Mobilization & De-Mobilization	153	\$ 100,000.00	\$	-	\$ -	\$ -	\$ 100,000.00
Security Services	154	\$ -	\$	15,000.00	\$ -	\$ -	\$ 15,000.00
Slickline Services	155	\$ -	\$	-	\$ -	\$ -	\$ -
Survey - Location	156	\$ -	\$	-	\$ -	\$ -	\$ -
Survey - Well	157	\$ 2,476.00	\$	-	\$ -	\$ -	\$ 2,476.00
Testing - Well Control Equipment	160	\$ 20,000.00	\$	8,000.00	\$ -	\$ -	\$ 28,000.00
Transportation - Land	162	\$ 9,819.00	\$	25,000.00	\$ 10,000.00	\$ 5,000.00	\$ 49,819.00
Tubular Conveyed Perforating & Drill Stem Testing Services	165	\$ -	\$	-	\$ -	\$ -	\$ -
Services Welding	166	\$ 3,000.00	\$	-	\$ -	\$ -	\$ 3,000.00
Drill Bits	301	\$ 187,500.00	\$	10,000.00	\$ -	\$ -	\$ 197,500.00
Blow-Out Preventor	302	\$ 23,804.00	\$	65,000.00	\$ -	\$ 2,000.00	\$ 90,804.00
Completion Fluids	304	\$ -	\$	5,000.00	\$ -	\$ -	\$ 5,000.00
Cranes	307	\$ -	\$	10,000.00	\$ -	\$ -	\$ 10,000.00
Drill String	310	\$ 37,503.00	\$	-	\$ -	\$ -	\$ 37,503.00
Electrical Repairs	311	\$ -	\$	-	\$ -	\$ -	\$ -
Fuel	313	\$ 49,096.00	\$	235,000.00	\$ -	\$ -	\$ 284,096.00
Gas Measurement	317	\$ -	\$	-	\$ 20,000.00	\$ -	\$ 20,000.00
Heaters - Indirect Line	321	\$ -	\$	-	\$ -	\$ -	\$ -
Rent Lost in Hole	325	\$ -	\$	-	\$ -	\$ -	\$ -
Rent Miscellaneous Surface Equipment	328	\$ 13,664.00	\$	195,000.00	\$ 17,000.00	\$ -	\$ 225,664.00
Mud - Drilling	329	\$ 180,009.00	\$	-	\$ -	\$ -	\$ 180,009.00
Mud Monitoring & Processing Equipment	330	\$ 56,535.00	\$	-	\$ -	\$ -	\$ 56,535.00
Stabilizer, Under-Reamer, Hole-Opener	341	\$ 11,902.00	\$	-	\$ -	\$ -	\$ 11,902.00
Tools & Supplies	346	\$ -	\$	-	\$ -	\$ -	\$ -
Vapor Recovery System	349	\$ -	\$	-	\$ 18,000.00	\$ -	\$ 18,000.00
Drilling Water	350	\$ 8,183.00	\$	480,000.00	\$ -	\$ -	\$ 488,183.00
Water Handling Equipment	351	\$ -	\$	-	\$ -	\$ -	\$ -
Drilling Insurance	501	\$ 10,000.00	\$	-	\$ -	\$ -	\$ 10,000.00
Legal Fees	503	\$ 65,000.00	\$	-	\$ -	\$ -	\$ 65,000.00
Regulatory Compliance	511	\$ 1,500.00	\$	-	\$ -	\$ -	\$ 1,500.00
Overhead	965	\$ 14,890.00	\$	-	\$ -	\$ -	\$ 14,890.00
Subtotal - Intangibles		\$ 2,844,400.00	\$	5,134,000.00	\$ 131,000.00	\$ 46,000.00	\$ 8,155,400.00
TANGIBLES							
Oil Measurement Equipment	332	\$ -	\$	-	\$ -	\$ -	\$ -
Line Pipe & Battery Fittings	335	\$ -	\$	-	\$ 78,000.00	\$ -	\$ 78,000.00
Pumps	336	\$ -	\$	-	\$ -	\$ 2,500.00	\$ 2,500.00
Separators	340	\$ -	\$	-	\$ 25,000.00	\$ -	\$ 25,000.00
Stock Tanks	345	\$ -	\$	-	\$ 62,000.00	\$ -	\$ 62,000.00
Treaters	347	\$ -	\$	-	\$ 31,000.00	\$ -	\$ 31,000.00
Artificial Lift	601	\$ -	\$	-	\$ -	\$ 15,000.00	\$ 15,000.00
Casing Accessories	602	\$ 41,000.00	\$	-	\$ -	\$ -	\$ 41,000.00
Miscellaneous Surface Equipment	603	\$ -	\$	-	\$ -	\$ -	\$ -
Packers / Anchors / Liner Hangers	604	\$ -	\$	-	\$ -	\$ -	\$ -
Water Casing (Conductor Casing)	607	\$ 10,000.00	\$	-	\$ -	\$ -	\$ 10,000.00
Pipe Surface Casing	608	\$ 20,000.00	\$	-	\$ -	\$ -	\$ 20,000.00
Pipe Intermediate Casing	609	\$ 184,925.00	\$	-	\$ -	\$ -	\$ 184,925.00
Production Casing/Liner	610	\$ 483,675.00	\$	-	\$ -	\$ -	\$ 483,675.00
Pipe Casing Liner	611	\$ -	\$	-	\$ -	\$ -	\$ -
Tubing	613	\$ -	\$	-	\$ -	\$ 55,000.00	\$ 55,000.00
Rods	614	\$ -	\$	-	\$ -	\$ -	\$ -
Tubing Accessories	616	\$ -	\$	-	\$ -	\$ 1,500.00	\$ 1,500.00
Wellhead	617	\$ 37,000.00	\$	30,000.00	\$ -	\$ -	\$ 67,000.00
Subtotal - Tangibles		\$ 776,600.00	\$	30,000.00	\$ 196,000.00	\$ 74,000.00	\$ 1,076,600.00
AFE TOTAL		\$ 3,621,000.00	\$	5,164,000.00	\$ 327,000.00	\$ 120,000.00	\$ 9,232,000.00

THOMAS SHIPMAN
E. Crutchfield
EXHIBIT 2
C.S.R.
OFFICIAL REPORTER
9-30-15

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: _____ COMPANY: _____
PRINTED NAME: _____ DATE: _____
TITLE: _____