


Paul 1H-18X (Sections 18 & 19-14N-7W)						
STACK						
PROJECT DESCRIPTION & OBJECTIVE: 10,000' LOL						
		AFE #:				
		PROPOSED TD: TVD 9610'/MD 19,840'				
		AFE TYPE:				
DETAIL OF ESTIMATED EXPENDITURES		COST CODE	DRILLING	COMPLETION	Facility	TOTAL
INTANGIBLES			880	881	883	
Base / Field Office Operations (housing, utilities, trash etc.)	101	\$54,688	\$0	\$0	\$0	\$54,688
Cased Hole Electric Wireline	102	\$0	\$450,000	\$0	\$0	\$450,000
Services - Casing Crews and Running Tools	103	\$82,000	\$0	\$0	\$0	\$82,000
Services Cementing/Coil Tubing Unit	105	\$207,000	\$0	\$0	\$0	\$207,000
Communications	109	\$7,758	\$0	\$0	\$0	\$7,758
Consultants	110	\$0	\$150,000	\$0	\$0	\$150,000
Core / Fluid Analysis	111	\$0	\$0	\$0	\$0	\$0
Directional Drilling Operations	113	\$310,950	\$0	\$0	\$0	\$310,950
Environmental & Safety Services	117	\$26,393	\$0	\$0	\$0	\$26,393
Fishing Services	119	\$0	\$0	\$0	\$0	\$0
Fluids Disposal (includes transportation)	120	\$19,795	\$0	\$0	\$0	\$19,795
Services Formation Evaluation	121	\$80,000	\$0	\$0	\$0	\$80,000
Formation Stimulation - Fracturing	122	\$0	\$3,100,000	\$0	\$0	\$3,100,000
Formation Stimulation - Other	123	\$0	\$450,000	\$0	\$0	\$450,000
Inspection - Bottom Hole Assembly	129	\$18,500	\$0	\$0	\$0	\$18,500
Inspection - Casing	130	\$1,500	\$0	\$0	\$0	\$1,500
Inspection - Drill Pipe	131	\$43,000	\$0	\$0	\$0	\$43,000
Inspection - Tubing	133	\$0	\$0	\$0	\$0	\$0
Installation / Removal - Pipeline	135	\$0	\$0	\$0	\$0	\$0
Labor - Company Supervision	139	\$131,967	\$100,000	\$0	\$0	\$231,967
Company Labor	140	\$0	\$0	\$0	\$7,000	\$7,000
Labor - Contract Employees	141	\$0	\$0	\$0	\$42,000	\$42,000
Location Preparation	143	\$135,000	\$0	\$0	\$10,000	\$145,000
Location Remediation & Maintenance	144	\$308,001	\$50,000	\$0	\$0	\$358,001
Services Miscellaneous	146	\$132,971	\$150,000	\$0	\$0	\$282,971
Mud Logging Services	147	\$23,840	\$0	\$0	\$0	\$23,840
Drilling & Completion Rig Costs (\$26,800 / day)	150	\$723,377	\$500,000	\$0	\$0	\$1,223,377
Drilling Well Turnkey Costs	152	\$0	\$0	\$0	\$0	\$0
Rig Mobilization & De-Mobilization	153	\$260,950	\$0	\$0	\$0	\$260,950
Security Services	154	\$0	\$0	\$0	\$0	\$0
Slickline Services	155	\$0	\$0	\$0	\$0	\$0
Survey - Location	156	\$3,000	\$0	\$0	\$0	\$3,000
Survey - Well (not associated with directional drilling)	157	\$2,500	\$0	\$0	\$0	\$2,500
Testing - Well Control Equipment	160	\$35,000	\$0	\$0	\$0	\$35,000
Transportation - Land	162	\$32,393	\$0	\$10,000	\$0	\$42,393
Tubular Conveyed Perforating & Drill Stem Testing Services	165	\$0	\$0	\$0	\$0	\$0
Services Welding	166	\$7,500	\$0	\$0	\$0	\$7,500
Drill Bits	301	\$210,000	\$150,000	\$0	\$0	\$360,000
Blow-Out Preventor	302	\$33,893	\$0	\$0	\$0	\$33,893
Completion Fluids	304	\$0	\$0	\$0	\$0	\$0
Cranes	307	\$0	\$0	\$0	\$10,000	\$10,000
Drill String	310	\$51,904	\$0	\$0	\$0	\$51,904
Fuel	313	\$254,952	\$0	\$0	\$0	\$254,952
Gas Measurement	317	\$0	\$0	\$0	\$20,000	\$20,000
Rent Lost in Hole	325	\$0	\$0	\$0	\$0	\$0
Rent Miscellaneous Surface Equipment	328	\$34,092	\$350,000	\$33,000	\$0	\$417,092
Mud - Drilling	329	\$390,030	\$0	\$0	\$0	\$390,030
Mud Monitoring & Processing Equipment	330	\$76,282	\$0	\$0	\$0	\$76,282
Stabilizer, Under-Reamer, Hole-Opener	341	\$20,197	\$0	\$0	\$0	\$20,197
Vapor Recovery System	349	\$0	\$0	\$0	\$0	\$0
Drilling Water	350	\$9,073	\$0	\$0	\$0	\$9,073
Water Handling Equipment	351	\$0	\$0	\$0	\$0	\$0
Drilling Insurance	501	\$0	\$0	\$0	\$0	\$0
Legal Fees	503	\$3,000	\$0	\$0	\$0	\$3,000
Regulatory Compliance	511	\$0	\$0	\$0	\$0	\$0
Overhead	965	\$16,496	\$50,000	\$0	\$0	\$66,496
Subtotal - Intangibles		\$3,748,002	\$5,500,000	\$132,000	\$9,380,002	
TANGIBLES			880	881	883	
Oil Measurement Equipment	332	\$0	\$0	\$0	\$0	\$0
Line Pipe & Battery Fittings	335	\$0	\$0	\$58,000	\$58,000	\$58,000
Separators	340	\$0	\$0	\$25,000	\$25,000	\$25,000
Stock Tanks	345	\$0	\$0	\$62,000	\$62,000	\$62,000
Treaters	347	\$0	\$0	\$58,000	\$58,000	\$58,000
Artificial Lift	601	\$0	\$0	\$150,000	\$150,000	\$150,000
Casing Accessories	602	\$25,000	\$0	\$0	\$0	\$25,000
Packers / Anchors / Liner Hangers	604	\$0	\$0	\$10,000	\$10,000	\$10,000
Water Casing (Conductor Casing)	607	\$0	\$0	\$0	\$0	\$0
Pipe Surface Casing (\$48 / ft)	608	\$72,000	\$0	\$0	\$0	\$72,000
Pipe Intermediate Casing	609	\$0	\$0	\$0	\$0	\$0
Production Casing/Liner (\$29 / ft)	610	\$532,498	\$0	\$0	\$0	\$532,498
Pipe Casing Liner	611	\$0	\$0	\$0	\$0	\$0
Tubing	613	\$0	\$0	\$90,000	\$90,000	\$90,000
Rods	614	\$0	\$0	\$0	\$0	\$0
Tubing Accessories	616	\$0	\$0	\$0	\$0	\$0
Wellhead	617	\$22,500	\$0	\$0	\$0	\$22,500
Subtotal - Tangibles		\$651,998	\$0	\$453,000	\$1,104,998	
AFE TOTAL		\$4,400,000	\$5,500,000	\$585,000	\$10,485,000	
Scope By		Prepared By	Prepared By	Prepared By	Prepared By	
Date Modified		Date Modified	Date Modified	Date Modified	Date Modified	
		9/28/2014	9/28/2014	9/28/2014	9/28/2014	

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

PREPARED BY: B Crump

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

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