

Sections 1 & 12-16N-9W		NEWFIELD				
STACK		AFE Drill Days = 33				
PROJECT DESCRIPTION & OBJECTIVE:		AFE #:				
Drill and complete a MRMC (XL) Lateral		PROPOSED TD:				
		AFE TYPE: Drill and Complete				
		Original				
DETAIL OF ESTIMATED EXPENDITURES		COST CODE	DRILLING	COMPLETION	COMPLETION	TOTAL
INTANGIBLES						
Base / Field Office Operations (housing, utilities, trash etc.)	101	880	\$54,665	881	883	\$54,665
Cased Hole Electric Wireline	102		\$0	\$412,500	\$0	\$412,500
Services - Casing Crews and Running Tools	103		\$82,000	\$0	\$0	\$82,000
Services Cementing/Coil Tubing Unit	105		\$207,000	\$0	\$0	\$207,000
Communications	109		\$7,755	\$0	\$0	\$7,755
Consultants	110		\$0	\$230,000	\$3,000	\$233,000
Core / Fluid Analysis	111		\$0	\$0	\$0	\$0
Directional Drilling Operations	113		\$323,287	\$0	\$0	\$323,287
Environmental & Safety Services	117		\$26,380	\$0	\$0	\$26,380
Fishing Services	119		\$0	\$0	\$0	\$0
Fluids Disposal (includes transportation)	120		\$19,785	\$0	\$0	\$19,785
Services Formation Evaluation	121		\$80,000	\$0	\$0	\$80,000
Formation Stimulation - Fracturing	122			\$3,264,000	\$0	\$3,264,000
Formation Stimulation - Other	123			\$417,500	\$0	\$417,500
Inspection - Bottom Hole Assembly	129		\$18,500	\$0	\$0	\$18,500
Inspection - Casing	130		\$1,500	\$0	\$0	\$1,500
Inspection - Drill Pipe	131		\$43,000	\$0	\$0	\$43,000
Inspection - Tubing	133		\$0	\$0	\$0	\$0
Installation / Removal - Pipeline	135			\$50,000	\$0	\$50,000
Labor - Company Supervision	139		\$131,901	\$236,000	\$0	\$367,901
Company Labor	140		\$-	\$-	\$2,000	\$2,000
Labor - Contract Employees	141		\$0	\$0	\$0	\$0
Location Preparation	143		\$135,000	\$25,000	\$0	\$160,000
Location Remediation & Maintenance	144		\$315,212	\$75,000	\$0	\$390,212
Services Miscellaneous	146		\$132,913	\$200,000	\$0	\$332,913
Mud Logging Services	147		\$25,050	\$0	\$0	\$25,050
Drilling & Completion Rig Costs (\$26,800 / day)	150		\$749,737	\$275,000	\$14,000	\$1,038,737
Drilling Well Turnkey Costs	152		\$0	\$0	\$0	\$0
Rig Mobilization & De-Mobilization	153		\$234,125	\$0	\$0	\$234,125
Security Services	154		\$0	\$0	\$0	\$0
Slickline Services	155		\$0	\$0	\$0	\$0
Survey - Location	156		\$3,000	\$0	\$0	\$3,000
Survey - Well (not associated with directional drilling)	157		\$2,500	\$0	\$0	\$2,500
Testing - Well Control Equipment	160		\$35,000	\$0	\$0	\$35,000
Transportation - Land	162		\$32,380	\$0	\$13,000	\$45,380
Tubular Conveyed Perforating & Drill Stem Testing Services	165		\$0	\$0	\$0	\$0
Services Welding	166		\$7,500	\$10,000	\$0	\$17,500
Drill Bits	301		\$190,000	\$250,000	\$0	\$440,000
Blow-Out Preventor	302		\$33,880	\$0	\$0	\$33,880
Completion Fluids	304			\$100,000	\$0	\$100,000
Cranes	307		\$-	\$-	\$10,000	\$10,000
Drill String	310		\$52,879	\$0	\$0	\$52,879
Fuel	313		\$234,855	\$10,000	\$0	\$244,855
Gas Measurement	317		\$-	\$-	\$13,200	\$13,200
Rent Lost in Hole	325		\$0	\$0	\$0	\$0
Rent Miscellaneous Surface Equipment	328		\$34,075	\$350,000	\$72,000	\$456,075
Mud - Drilling	329		\$387,957	\$0	\$0	\$387,957
Mud Monitoring & Processing Equipment	330		\$76,248	\$0	\$0	\$76,248
Stabilizer, Under-Reamer, Hole-Opener	341		\$20,190	\$0	\$0	\$20,190
Vapor Recovery System	349		\$-	\$-	\$20,000	\$20,000
Drilling Water	350		\$9,068	\$0	\$0	\$9,068
Water Handling Equipment	351		\$-	\$-	\$16,000	\$16,000
Drilling Insurance	501		\$0	\$0	\$0	\$0
Legal Fees	503		\$3,000	\$0	\$0	\$3,000
Regulatory Compliance	511		\$0	\$0	\$0	\$0
Overhead	965		\$16,488	\$200,000	\$0	\$216,488
Subtotal - Intangibles			\$3,726,832	\$6,055,000	\$213,200	\$9,995,032
TANGIBLES						
Oil Measurement Equipment	332	880		881	883	\$0
Line Pipe & Battery Fittings	335					\$0
Separators	340				\$34,000	\$34,000
Stock Tanks	345				\$58,000	\$58,000
Treaters	347				\$0	\$0
Artificial Lift	601				\$25,000	\$25,000
Casing Accessories	602		\$25,000			\$25,000
Packers / Anchors / Liner Hangers	604		\$0		\$0	\$0
Water Casing (Conductor Casing)	607		\$0			\$0
Pipe Surface Casing (\$48 / ft)	608		\$72,000			\$72,000
Pipe Intermediate Casing	609		\$0			\$0
Production Casing/Liner (\$29 / ft)	610		\$553,668		\$0	\$553,668
Pipe Casing Liner	611		\$0			\$0
Tubing	613				\$68,000	\$68,000
Rods	614				\$0	\$0
Tubing Accessories	616				\$7,500	\$7,500
Wellhead	617		\$22,500	\$0		\$22,500
Subtotal - Tangibles			\$673,168	\$0	\$192,500	\$865,668
AFE TOTAL			\$4,400,000	\$6,055,000	\$405,700	\$10,860,700

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

Date: 9/9/2014

NAME: _____
 PRINTED NAME: _____
 TITLE: _____

COMPANY: _____
 DATE: _____

