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|--------------|---|---------------|-----------------------------|----------------|------------------|
| PROJECT NAME | HOAR 35-15N-11W 1H | | | PROJECT NUM | December 1, 2012 |
| OPERATOR | DEPCO | LAND | John McCaskill | DATE SUBMITTED | |
| DIVISION | NO DIVISION ENTERED | RESERVOIR | NO RESERVOIR REP ENTERED | TMD (FT) | 16900 |
| DISTRICT | Mid-Continent Division | GEOLOGIST | NO GEOLOGIST ENTERED | TVD (FT) | 12156 |
| SUB DISTRICT | Anadarko Basin | GEOPHYSICIST | NO GEOPHYSICIST ENTERED | PBTMD(FT) | 16816 |
| REGION | Western Oklahoma | DRLG ENGINEER | NO DRLG ENGINEER ENTERED | PBTVD(FT) | 12156 |
| FIELD GROUP | Cana | PROD ENGINEER | NO PROD ENGINEER ENTERED | KB ELEV(FT) | 1474 |
| FIELD | Cana East | DRLG SUPT | NO DRLG SUPT ENTERED | GL(FT) | 1449 |
| COUNTY | Blaine | COST CTR NUM | 1008797401 | EST SPUD DATE | NO DATE ENTERED |
| STATE | OK | COST CTR NAME | NO COST CENTER NAME ENTERED | API # | NO API ENTERED |
| LEGAL DESC | SURFACE LOCATION: Sec 35-15N-11W / BOTTOM HOLE LOCATION: Sec 35-15N-11W | | | | |
| WORK DESC | The proposed well is a 16900' MD Woodford Horizontal well with approximately 4500' of lateral in the Cana project area of Western Oklahoma. | | | | |

Drill and Complete Cost Plan Summary

| Cost Element # | Cost Element Description | Drill .01 | Complete .02 | Site Equip .03 | Well Tie In .04 | Element | Totals |
|----------------|---|--------------|-----------------|-------------------|--------------------|---------|-------------|
| 6010100 | Employee Salaries | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 6020100 | Contract Labor | | | | \$0 | | \$0 |
| 6060100 | Dyed Liquid Fuels (Texas Only) | \$0 | \$0 | \$0 | | | \$0 |
| 6060110 | Liquid Fuels - Other | \$302,000 | \$56,000 | \$0 | | | \$358,000 |
| 6060120 | Electricity & Utilities | \$0 | \$0 | \$0 | | | \$0 |
| 6080110 | Disposal - Saltwater & Other Fluids | \$79,000 | \$20,000 | | | | \$99,000 |
| 6090100 | Fluids - Water | \$21,000 | \$4,000 | | | | \$25,000 |
| 6090110 | Fluids - Lube & Hydraulic Oil | | | | \$0 | | \$0 |
| 6100100 | Permitting, Surveying & Title Services | \$25,000 | \$0 | \$0 | | | \$25,000 |
| 6100110 | Right Of Way | \$0 | | | \$0 | | \$0 |
| 6110100 | Roads & Location Recovery | \$9,000 | \$1,000 | | | | \$10,000 |
| 6110120 | Road & Site Preparation Materials & Supplies | | | \$0 | \$0 | | \$0 |
| 6110130 | Road & Site Preparation Services | \$152,000 | \$1,000 | \$0 | \$0 | | \$153,000 |
| 6110170 | Damages & Remediation | \$25,000 | | \$0 | \$0 | | \$25,000 |
| 6120120 | Measurement Equipment | | | | \$0 | | \$0 |
| 6130170 | Communication Services - Other | \$8,000 | \$3,500 | \$0 | | | \$11,500 |
| 6140100 | Enviro - Community Consultations | | | | | | \$0 |
| 6140110 | Enviro - Compliance & Fines | | | | \$0 | | \$0 |
| 6140160 | Enviro - Services | \$4,000 | \$2,000 | | | | \$6,000 |
| 6150100 | Logging, Perf & W/L Services (CH Only) | \$23,000 | \$120,000 | | | | \$143,000 |
| 6160100 | Materials & Supplies | \$25,000 | \$10,000 | \$0 | \$0 | | \$35,000 |
| 6170100 | Pulling & Swabbing Services | | \$0 | | | | \$0 |
| 6170110 | Snubbing & Coil Tubing Services | | \$150,000 | | | | \$150,000 |
| 6180130 | Vehicles - Usage | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 6190110 | Trucking & Hauling | \$21,000 | \$30,000 | \$0 | \$0 | | \$51,000 |
| 6320160 | Welding Services | \$0 | \$0 | | | | \$0 |
| 6200110 | Inspection Services | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 6200130 | Consultants - Technical & Professional Fees | \$166,000 | \$50,000 | \$0 | \$0 | | \$216,000 |
| 6310120 | Stimulation Services | | \$1,800,000 | | | | \$1,800,000 |
| 6310200 | Casing & Tubular Services | \$50,000 | \$72,000 | | | | \$122,000 |
| 6310250 | Cementing Services | \$115,000 | \$94,000 | | | | \$209,000 |
| 6310280 | Daywork Costs | \$974,000 | \$331,000 | | | | \$1,305,000 |
| 6310290 | Turnkey Drilling Costs | \$0 | \$0 | | | | \$0 |
| 6310300 | Directional Services | \$180,000 | \$24,000 | | | | \$204,000 |
| 6310310 | Drill Bits | \$233,000 | \$0 | | | | \$233,000 |
| 6310330 | Drilling and Completion Fluids & Services | \$387,000 | \$33,000 | | | | \$420,000 |
| 6310350 | Fishing Services | \$0 | \$1,000 | | | | \$1,000 |
| 6310360 | Footage Costs | \$0 | | | | | \$0 |
| 6310370 | Mob & Demobilization | \$190,000 | \$0 | | | | \$190,000 |
| 6310380 | Open Hole Evaluation | \$0 | | | | | \$0 |
| 6310480 | Well Testing Services | | \$70,000 | | | | \$70,000 |
| 6320100 | Equipment Services - Surface Rentals | \$167,000 | \$29,000 | \$0 | \$0 | | \$196,000 |
| 6320110 | Equipment Services - Downhole Rentals | \$137,000 | \$10,000 | | | | \$147,000 |
| 6350100 | Construction Services | | | | \$0 | | \$0 |
| 6370100 | Land | | | | \$0 | | \$0 |
| 6520100 | Legal Fees | \$0 | | | | | \$0 |
| 6520110 | Legal Settlements | | | | | | \$0 |
| 6550100 | Miscellaneous Costs | | | | | | \$0 |
| 6550110 | Other Services | \$35,000 | \$12,000 | \$0 | \$0 | | \$47,000 |
| 6120100 | Electrical, Instrumentation & Control Service | | | \$0 | | | \$0 |
| 6230120 | Safety Services | | | \$0 | | | \$0 |
| 6610100 | Casualty & Property Insurance | \$0 | \$0 | | | | \$0 |
| 6630110 | Overhead | \$21,000 | \$5,000 | \$0 | \$0 | | \$26,000 |
| 6650100 | Leasehold Rentals | | | | | | \$0 |
| 6650200 | Other Leasehold Costs | | | | | | \$0 |
| | TOTAL INTANGIBLE ITEMS | 3,349,000 | 2,928,500 | 0 | 0 | | 6,277,500 |
| Cost Element # | Cost Element Description | Drill .01 | Complete .02 | Site Equip .03 | Well Tie In .04 | Element | Totals |
| 6300110 | Dehydration Equipment | | | \$0 | \$0 | | \$0 |
| 6300130 | Heaters & Heat Exchange Equipment | | | \$0 | | | \$0 |
| 6300150 | Separator Equipment | | | \$25,000 | \$0 | | \$25,000 |
| 6300210 | Treater & Free Water Knockout Equipment | | | \$50,000 | | | \$50,000 |
| 6300220 | Storage Vessels & Tanks | | | \$24,000 | | | \$24,000 |
| 6300230 | Pumps - Surface | | | \$0 | | | \$0 |
| 6300260 | Valves | | | | \$0 | | \$0 |
| 6310130 | Artificial Lift Equipment | | \$100 | | | | \$100 |
| 6310150 | Casing - Conductor & Drive Pipe | \$0 | | | | | \$0 |
| 6310410 | Sucker Rods | | \$0 | | | | \$0 |
| 6310420 | Oil Country Tubular Goods Tubing | | \$110,000 | | | | \$110,000 |
| 6310460 | Wellhead Equipment | \$25,000 | \$26,000 | | | | \$51,000 |
| 6310530 | Surface Casing | \$63,000 | | | | | \$63,000 |
| 6310540 | Intermediate Casing | \$372,000 | | | | | \$372,000 |
| 6310550 | Production Casing | | \$624,000 | | | | \$624,000 |
| 6310560 | Prod Liners & Tiebacks | | \$0 | | | | \$0 |
| 6310570 | Drill Liners & Tiebacks | \$0 | | | | | \$0 |
| 6320180 | Equipment Other | | \$20,000 | \$7,000 | \$0 | | \$27,000 |
| 6310220 | Corrosion Protection Equip | | | \$16,000 | \$0 | | \$16,000 |
| 6330100 | Pipe, Fitting, Flanges & Couplings | | | \$7,000 | \$0 | | \$7,000 |
| 6130120 | Comm devices and accessories - SCADA | | | \$0 | | | \$0 |
| 6120110 | Electrical, Instrumentation & Control Equip | | | \$0 | | | \$0 |
| 6120120 | Measurement Equipment | | | \$0 | | | \$0 |
| 6320140 | Engines & Motors | | | \$0 | | | \$0 |
| | TOTAL TANGIBLE ITEMS | 460,000 | 780,100 | 129,000 | 0 | | 1,369,100 |
| | TANGIBLE SPLIT % | 12 | 21 | 100 | 0 | | |
| | WBS TOTAL | 3,809,000 | 3,708,600 | 129,000 | 0 | | 7,646,600 |



DEC 11 2012

Signature: _____

Print Name: _____

Title: _____

Email Address: _____

Company Name: _____