

CD 14-5257T 1

Sections 26 & 35 15N-8W		NEWFIELD			
STACK	AFE Drill Days = 33				
PROJECT DESCRIPTION & OBJECTIVE:					
Drill and complete a STACK (XL) Lateral					
		AFE #:			
		PROPOSED TD 9,628' TVD 19,228' TMD			
		AFE TYPE: Drill and Complete			
		Original			
DETAIL OF ESTIMATED EXPENDITURES	COST CODE	DRILLING	COMPLETION	COMPLETION	TOTAL
<b>INTANGIBLES</b>		880	881	883	
Base / Field Office Operations (housing, utilities, trash etc.)	101	\$54,665	\$0	\$0	\$54,665
Cased Hole Electric Wireline	102	\$0	\$250,000	\$0	\$250,000
Services - Casing Crews and Running Tools	103	\$82,000	\$87,500	\$0	\$169,500
Services Cementing/Coff Tubing Unit	106	\$207,000	\$0	\$0	\$207,000
Communications	109	\$7,755	\$0	\$0	\$7,755
Consultants	110	\$0	\$41,125	\$3,000	\$44,125
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		\$2,667,500	\$0	\$2,667,500
Formation Stimulation - Other	123		\$305,000	\$0	\$305,000
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		\$0	\$50,000	\$50,000
Labor - Company Supervision	138	\$111,901	\$175,000	\$0	\$306,901
Company Labor	140	\$0	\$0	\$2,000	\$2,000
Labor - Contract Employees	141	\$0	\$26,375	\$0	\$26,375
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	\$100,000	\$0	\$232,913
Mud Logging Services	147	\$25,050	\$0	\$0	\$25,050
Drilling & Completion Rig Costs (\$26,600 / day)	150	\$748,737	\$275,000	\$14,000	\$1,037,737
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
Regular 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	\$200,000	\$0	\$390,000
Flow-Out Preventor	302	\$33,880	\$0	\$0	\$33,880
Completion Fluids	304		\$10,000	\$0	\$10,000
Cranes	307	\$0	\$0	\$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	\$0	\$0	\$13,200	\$13,200
Rent Lost in Hole	325	\$0	\$0	\$0	\$0
Rent Miscellaneous Surface Equipment	326	\$38,076	\$290,000	\$72,000	\$356,076
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	\$0	\$0	\$20,000	\$20,000
Drilling Water	350	\$9,068	\$0	\$0	\$9,068
Water Handling Equipment	351	\$0	\$0	\$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	865	\$16,488	\$28,500	\$0	\$44,988
<b>Subtotal - Intangibles</b>		<b>\$3,726,832</b>	<b>\$4,836,000</b>	<b>\$213,200</b>	<b>\$8,476,032</b>
<b>TANGIBLES</b>		880	881	883	
Oil Measurement Equipment	332	\$0	\$0	\$0	\$0
Line Pipe & Battery Fittings	335	\$0	\$0	\$0	\$0
Separators	340	\$0	\$34,000	\$0	\$34,000
Stock Tanks	345	\$0	\$58,000	\$0	\$58,000
Treaters	347	\$0	\$0	\$0	\$0
Artificial Lift	601	\$0	\$25,000	\$0	\$25,000
Casing Accessories	602	\$25,000	\$0	\$0	\$25,000
Packers / Anchors / Liner Hangers	604	\$0	\$0	\$0	\$0
Water Casing (Conductor Casing)	607	\$0	\$0	\$0	\$0
Pipe Surface Casing (\$48 / ft)	608	\$72,000	\$0	\$0	\$72,000
Pipe Intermediate Casing	609	\$0	\$0	\$0	\$0
Production Casing/Liner (\$29 / ft)	610	\$553,668	\$0	\$0	\$553,668
Pipe Casing Liner	611	\$0	\$0	\$0	\$0
Tubing	613	\$0	\$68,000	\$0	\$68,000
Rods	614	\$0	\$0	\$0	\$0
Tubing Accessories	616	\$0	\$7,500	\$0	\$7,500
Wellhead	617	\$22,500	\$14,000	\$0	\$36,500
<b>Subtotal - Tangibles</b>		<b>\$673,168</b>	<b>\$14,000</b>	<b>\$162,500</b>	<b>\$879,668</b>
<b>AFE TOTAL</b>		<b>\$4,400,000</b>	<b>\$4,850,000</b>	<b>\$405,700</b>	<b>\$9,355,700</b>
Prepared By		Modified By	Modified By	Modified By	
Date		Brent Peoples			
Date		8/11/2014			

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

NAME: \_\_\_\_\_ COMPANY: \_\_\_\_\_  
 PRINTED NAME: \_\_\_\_\_ DATE: \_\_\_\_\_  
 TITLE: \_\_\_\_\_

CD-2014-  
 25257  
 8/18/14  
 SR