

MRO AUTHORIZATION FOR EXPENDITURE

DETAIL OF ESTIMATED WELL CONSTRUCTION COSTS

Well Name: Alta 1-3H
County: BLAINE
Formation: MISS LIME

Date: 5/11/2015AFE #: 0MD: 15,200

Costs

DRILLING COSTS - TANGIBLE

Surface Casing	\$37,980
Intermediate Casing	\$277,769
Production Casing	\$281,200
Wellhead Equip & Csg Access	\$90,000
TOTAL DRILLING COSTS - TANGIBLE	\$686,949

DRILLING COSTS - INTANGIBLE

Location and Access	\$515,145
Rig Move	\$250,000
Drilling Rig	\$840,000
Directional Services	\$219,000
Mud Fluids & Services	\$230,000
Solids Control	\$21,250
Bits	\$120,000
Casing Crew and Services	\$50,000
Cementing Service	\$90,000
Rental Equipment	\$62,000
Fuel	\$111,600
Water & Water Services	\$220,000
Logging Services	\$25,000
Inspection Services	\$30,000
Contract Labor	\$80,000
Freight	\$150,000
Misc Materials & Equipment	\$100,000
Telecom Services	\$4,650
Supervision & Overhead	\$180,400
HES Equip & Service	\$41,000
Air Drilling Services	\$0
Coring & Analysis	\$0
Contingency	\$141,245
TOTAL DRILLING COSTS - INTANGIBLE	\$3,481,290

TOTAL DRY HOLE COSTS \$3,021,940**TOTAL DRILLING COSTS \$4,168,239**

COMPLETION COSTS - TANGIBLE

Tubing & Accessories	87,000
Artificial Lift	16,000
Wellhead Equipment	56,500
TOTAL COMPLETION COSTS - TANGIBLE	\$159,500

COMPLETION COSTS - INTANGIBLE

Location and Access	5,000
Solids Control Equip	0
Completion Rig	70,500
Coiled Tubing	199,500
Rental Equipment	380,500
Snubbing	41,000
Pulling/Swab Units	0
Fuel	0
Casing Crews	0
Cement	0
Well Testing /Flowback	157,000
Fracturing Services	1,800,000
Acidizing and N2 Services	0
Perforating and Wireline Services	181,350
Cased Hole Logging	13,500
Comp Fluids & Services	53,300
Water & Water Services	311,038
Freight	8,000
Inspection Services	4,500
Misc Materials & Equip	8,000
Frac Plugs	42,000
Contract Labor	41,000
Telecom Services	19,000
HES Equip & Service	68,979
Supervision & Overhead	124,748
Tracers	0
Surface Facilities	445,000
Contingency	0
TOTAL COMPLETION COSTS - INTANGIBLE	\$3,973,914

TOTAL COMPLETION COSTS \$4,133,414**TOTAL WELL COSTS \$8,301,653**

MAY 26 2015

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