

Franklin 1H-1X		NEWFIELD	
TARGET FORMATION: MPMC		AFE Drill Days =29	
PROJECT DESCRIPTION & OBJECTIVE: SPUD TO RR =24			
Drill and Complete 10,000' lateral.			
		AFE #:	
		PROPOSED TC 8,775 TVD / 19079 MD	
		AFE TYPE: Drill and Complete	
		Original	

DETAIL OF ESTIMATED EXPENDITURES	COST CODE	DRILLING	COMPLETION	FACILITIES	ART LIFT	TOTAL
INTANGIBLES		880	881	883	882	
Base / Field Office Operations (housing, utilities, trash etc.)	101	\$41,164	\$30,000	\$0	\$0	\$71,164
Cased Hole Electric Wireline	102	\$0	\$515,000	\$0	\$0	\$515,000
Services - Casing Crews and Running Tools	103	\$35,000	\$50,000	\$0	\$6,000	\$91,000
Services Cementing/Coil Tubing Unit	105	\$125,000	\$0	\$0	\$0	\$125,000
Communications	109	\$6,616	\$0	\$0	\$0	\$6,616
Consultants	110	\$0	\$150,000	\$365	\$0	\$150,365
Core / Fluid Analysis	111	\$0	\$0	\$0	\$1,800	\$1,800
Directional Drilling Operations	113	\$408,566	\$0	\$0	\$0	\$408,566
Environmental & Safety Services	117	\$1,970	\$35,000	\$0	\$0	\$36,970
Fishing Services	119	\$0	\$0	\$0	\$0	\$0
Fluids Disposal (includes transportation)	120	\$107,820	\$20,000	\$0	\$0	\$127,820
Services Formation Evaluation	121	\$0	\$0	\$0	\$0	\$0
Formation Stimulation - Fracturing	122	\$0	\$3,020,000	\$0	\$0	\$3,020,000
Formation Stimulation - Other	123	\$0	\$20,000	\$0	\$0	\$20,000
Hot Oiling Services	128	\$0	\$9,000	\$0	\$0	\$9,000
Inspection - Bottom Hole Assembly	129	\$5,000	\$0	\$0	\$0	\$5,000
Inspection - Casing	130	\$0	\$0	\$0	\$0	\$0
Inspection - Drill Pipe	131	\$25,000	\$0	\$0	\$0	\$25,000
Inspection - Tubing	133	\$0	\$2,000	\$0	\$0	\$2,000
Installation / Removal - Pipeline	135	\$0	\$0	\$0	\$0	\$0
Labor - Company Supervision	139	\$88,208	\$0	\$0	\$0	\$88,208
Company Labor	140	\$0	\$0	\$8,500	\$4,000	\$12,500
Labor - Contract Employees	141	\$0	\$0	\$63,000	\$0	\$63,000
Location Preparation	143	\$190,000	\$1,000	\$10,000	\$0	\$201,000
Location Remediation & Maintenance	144	\$161,250	\$12,500	\$0	\$0	\$173,750
Services Miscellaneous	146	\$52,811	\$6,500	\$0	\$10,700	\$70,011
Mud Logging Services	147	\$23,926	\$0	\$0	\$0	\$23,926
Drilling & Completion Rig Costs (\$0 / day)	150	\$627,012	\$215,000	\$0	\$20,000	\$862,012
Drilling Well Turnkey Costs	152	\$0	\$0	\$0	\$0	\$0
Rig Mobilization & De-Mobilization	153	\$0	\$0	\$0	\$0	\$0
Security Services	154	\$0	\$15,000	\$0	\$0	\$15,000
Slickline Services	155	\$0	\$0	\$0	\$3,500	\$3,500
Survey - Location	156	\$0	\$0	\$0	\$0	\$0
Survey - Well (not associated with directional drilling)	157	\$2,440	\$0	\$0	\$0	\$2,440
Testing - Well Control Equipment	160	\$0	\$8,000	\$0	\$0	\$8,000
Transportation - Land	162	\$9,703	\$25,000	\$10,000	\$10,000	\$54,703
Tubular Conveyed Perforating & Drill Stem Testing Services	165	\$0	\$0	\$0	\$0	\$0
Services Welding	166	\$3,000	\$0	\$0	\$0	\$3,000
Drill Bits	301	\$127,500	\$10,000	\$0	\$0	\$137,500
Blow-Out Preventor	302	\$23,522	\$65,000	\$0	\$0	\$88,522
Completion Fluids	304	\$0	\$5,000	\$0	\$0	\$5,000
Cranes	307	\$0	\$10,000	\$10,000	\$0	\$20,000
Drill String	310	\$37,875	\$0	\$0	\$0	\$37,875
Inspection - Drill Pipe	311	\$0	\$0	\$0	\$0	\$0
Fuel	313	\$48,514	\$235,000	\$0	\$0	\$283,514
Gas Measurement	317	\$0	\$0	\$20,000	\$0	\$20,000
Rent Lost in Hole	325	\$0	\$0	\$0	\$0	\$0
Rent Miscellaneous Surface Equipment	328	\$13,541	\$195,000	\$37,000	\$10,000	\$255,541
Mud - Drilling	329	\$222,332	\$0	\$0	\$0	\$222,332
Mud Monitoring & Processing Equipment	330	\$55,865	\$0	\$0	\$0	\$55,865
Water Handling Equipment	336	\$0	\$0	\$0	\$5,000	\$5,000
Stabilizer, Under-Reamer, Hole-Opener	341	\$11,761	\$0	\$0	\$0	\$11,761
Vapor Recovery System	349	\$0	\$0	\$0	\$0	\$0
Drilling Water	350	\$8,086	\$480,000	\$0	\$4,000	\$492,086
Water Handling Equipment	351	\$0	\$0	\$0	\$0	\$0
Drilling Insurance	501	\$10,000	\$0	\$0	\$0	\$10,000
Legal Fees	503	\$15,000	\$0	\$0	\$0	\$15,000
Regulatory Compliance	511	\$1,500	\$0	\$0	\$0	\$1,500
Overhead	965	\$14,701	\$0	\$0	\$0	\$14,701
Subtotal - Intangibles		\$2,504,683	\$5,134,000	\$158,865	\$75,000	\$7,872,548
TANGIBLES		880	881	883	882	
Heaters - Indirect Lin	321	\$0	\$0	\$0	\$0	\$0
Oil Measurement Equipment	332	\$0	\$0	\$0	\$0	\$0
Line Pipe & Battery Fittings	335	\$0	\$0	\$73,000	\$0	\$73,000
Separators	340	\$0	\$0	\$25,000	\$0	\$25,000
Stock Tanks	345	\$0	\$0	\$62,000	\$0	\$62,000
Treaters	347	\$0	\$0	\$58,000	\$0	\$58,000
Artificial Lift	601	\$0	\$0	\$0	\$15,000	\$15,000
Casing Accessories	602	\$26,000	\$0	\$0	\$0	\$26,000
Packers / Anchors / Liner Hangers	604	\$0	\$0	\$0	\$0	\$0
Water Casing (Conductor Casing)	607	\$10,000	\$0	\$0	\$0	\$10,000
Pipe Surface Casing (\$28 / ft)	608	\$60,000	\$0	\$0	\$0	\$60,000
Pipe Intermediate Casing	609	\$0	\$0	\$0	\$0	\$0
Production Casing/Liner (\$25 / ft)	610	\$496,054	\$0	\$0	\$0	\$496,054
Pipe Casing Liner	611	\$0	\$0	\$0	\$0	\$0
Tubing	613	\$0	\$0	\$0	\$55,000	\$55,000
Rods	614	\$0	\$0	\$0	\$0	\$0
Tubing Accessories	616	\$0	\$0	\$0	\$5,000	\$5,000
Wellhead	617	\$22,000	\$30,000	\$0	\$0	\$52,000
Subtotal - Tangibles		\$614,054	\$30,000	\$218,000	\$75,000	\$937,054
AFE TOTAL		\$3,118,737	\$5,164,000	\$376,865	\$150,000	\$8,809,602

Scope By	Prepared By	Prepared By	Prepared By	Prepared By
	Kirk Fields	Cody Bass	Nathan Perego	Nathan Perego
Date Modified	Date Modified	Date Modified	Date Modified	Date Modified
	6/8/2015	6/8/2015	6/8/2015	6/8/2015

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

NAME: _____
 PRINTED NAME: _____
 TITLE: _____

COMPANY: _____
 DATE: _____

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Thane L. Simon
 6/8/15