

**CONTINENTAL RESOURCES, INC.**P.O. Box 1032 Enid, OK 73702  
(580) 233-8955**AUTHORITY FOR EXPENDITURE**

AFE No.: \_\_\_\_\_ Date: 05/20/16 Lease Name &amp; No.: Reece Jane 1-33-4XH

Legal Description: SHL: 276' FNL & 605' FEL Sec 33-T13N-R13W County: Blaine State: Oklahoma  
BHL: 30' FSL & 2442' FVL Sec 4-T12N-R13WWork Description: Drill and complete Woodford, 10183 ft lateral at 16140 ft TVD 5.5 in. cemented long string to 26595 ft; 36 stage frac  
Oil Based Mud systemExploration **XXX** Development: \_\_\_\_\_ Recompletion: \_\_\_\_\_ Supplemental: \_\_\_\_\_ T.D.: 26,595'

	Estimated Days	83,041.66667		5	
<b>INTANGIBLES</b>	Code	Dry Hole	Code	Completion	Total
Legal expenses	010	\$33,000	010	\$1,000	\$34,000
Damages	020	\$20,000	020	\$1,000	\$21,000
Road & location construction	030	\$204,000	030	\$61,000	\$255,000
Rig Costs	060	\$2,593,000	060	\$301,000	\$2,894,000
Water	070	\$46,000	070	\$99,000	\$145,000
Drilling mud & chemicals	090	\$759,000	090	\$144,500	\$903,500
Bits & BHA	100	\$211,000	100	\$91,000	\$302,000
Surface rental tools & equipment	110	\$217,000	110	\$150,000	\$367,000
Drill pipe & work string rental	120	\$16,000	120	\$45,000	\$61,000
Cementing	130	\$58,000	130	\$87,000	\$145,000
Flowback	140	\$0	140	\$52,000	\$52,000
Roustabout Labor	151	\$30,000	151	\$0	\$30,000
Roustabout Transportation	152	\$20,000	152	\$0	\$20,000
Downhole testing and analysis	160	\$34,000	160	\$0	\$34,000
Wireline services	170	\$30,000	170	\$225,000	\$255,000
Rental tanks	210	\$33,000	210	\$14,000	\$47,000
Stimulation services	230	\$0	230	\$3,420,000	\$3,420,000
Miscellaneous services & contingencies	240	\$313,000	240	\$270,000	\$583,000
Fuel	250	\$422,000	250	\$0	\$422,000
Directional tools and services	280	\$576,000	280	\$30,000	\$606,000
Inspections	290	\$6,000	290	\$0	\$6,000
Casing Crews	300	\$67,000	300	\$50,000	\$117,000
Fishing tools and services	330	\$0	330	\$0	\$0
Pumping services	340	\$0	340	\$252,000	\$252,000
Insurance	350	\$0	350	\$0	\$0
Mud disposal	360	\$155,000	360	\$396,000	\$551,000
Field office expense - housing	470	\$145,000	470	\$0	\$145,000
Contract supervision	500	\$366,000	500	\$42,000	\$408,000
Overhead	800	\$7,000	800	\$4,000	\$11,000
Drilling Hazard Mitigation	900	\$0	900	\$0	\$0

**TOTAL INTANGIBLES****\$6,361,000** **\$5,725,500** **\$12,086,500****TANGIBLES**

Surface Casing	1,900 ft. @ \$ 40.00 /ft.	13 3/8", 54.5W, J-55, ST	510	\$60,000		\$60,000
Intermediate Casing	11,790 ft. @ \$ 35.25 /ft.	9 5/8", 40W, P110, L7&C	520	\$416,000		\$416,000
Production Casing	26,600 ft. @ \$ 20.00 /ft.	5-1/2", 23W, P-110 BTC-XP			530	\$532,000
Toe Initiator Sleeve					530	\$19,000
Surf Equ Trkg/Inst/Lbr					540	\$53,500
Tubing	16,410 ft. @ \$ 5.75 /ft.	2-7/8", 6.5W, L-80, EUE			550	\$101,000
Wellhead Equipment	13-5/8" SCW x 13 3/8" 3K x 11" 5K x 7-1/16" 10K x 2-9/16" 10K		560	\$12,000	560	\$32,000
Packers & Subsurface Equipment					570	\$25,000
Pumping Unit & Prime Mover					580	\$0
Sucker Rods & Pump					590	\$0
Production Facility					600	\$170,000
Flowline, Valves & Connections					610	\$50,000

**TOTAL TANGIBLES****\$488,000** **\$982,500** **\$1,470,500****TOTAL AFE****\$6,849,000** **\$6,708,000** **\$13,557,000****APPROVAL:****Operator:**

CONTINENTAL RESOURCES, INC.

**Non-Operator:**

Company: \_\_\_\_\_

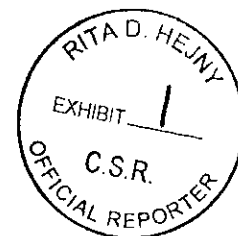
Operations: \_\_\_\_\_ Geology: \_\_\_\_\_ Land: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Wt: \_\_\_\_\_ % Date: \_\_\_\_\_

This AFE is only an estimate of the costs to be incurred in conducting the referenced operation. In no event shall this AFE be construed as a representation or warrant as to the accuracy of such estimate, or construed in any way to limit a participant's responsibility to pay its proportionate share of all costs and expenses incurred in connection with the referenced operations.



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