



# Authority for Expenditure Drilling, Completion, Facilities

WELL NAME: Lucile 1H-27X  
AFE NO. 45516  
RC NO. 500396610  
Date: 3/10/2016

| OPERATOR:  | STATE               | COUNTY          | SECTION         | TOWNSHIP      | RANGE        | PROPOSED TD             |
|--|---------------------|-----------------|-----------------|---------------|--------------|-------------------------|
| Newfield Exploration-Mid Continent                         | OK                  | KINGFISHER      | 27              | 17N           | 8W           | 8,200' TVD / 18,500' MD |
| DRILLING COMMENTS  | COMPLETION COMMENTS |                 |                 |               | FACILITIES   |                         |
| DETAIL OF ESTIMATED EXPENDITURES                           | COST CODE           | DRILLING        | COMPLETION      | FACILITIES    | ART. LIFT    | TOTAL                   |
| INTANGIBLES  |                     |                 |                 |               |              |                         |
| Base / Field Office Operations                             | 101                 | \$ 43,985.87    | \$ 25,615.00    | \$ -          | \$ -         | \$ 69,600.87            |
| Cased Hole Electric Wireline                               | 102                 | \$ -            | \$ 392,756.00   | \$ -          | \$ -         | \$ 392,756.00           |
| Services - Casing Crews and Running Tools                  | 103                 | \$ 36,500.00    | \$ 42,691.00    | \$ -          | \$ 6,000.00  | \$ 85,191.00            |
| Services Cementing/Coil Tubing Unit                        | 105                 | \$ 124,139.00   | \$ -            | \$ -          | \$ -         | \$ 124,139.00           |
| Communications   | 109                 | \$ 4,835.91     | \$ -            | \$ -          | \$ -         | \$ 4,835.91             |
| Consultants  | 110                 | \$ 78,225.27    | \$ 128,073.00   | \$ -          | \$ -         | \$ 206,298.27           |
| Core / Fluid Analysis                                      | 111                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Directional Drilling Operations                            | 113                 | \$ 274,224.36   | \$ -            | \$ -          | \$ -         | \$ 274,224.36           |
| Environmental & Safety Services                            | 117                 | \$ 859.72       | \$ 29,884.00    | \$ -          | \$ -         | \$ 30,743.72            |
| Fishing Services   | 119                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Fluids Disposal (includes transportation)                  | 120                 | \$ 62,239.40    | \$ 17,076.00    | \$ -          | \$ -         | \$ 79,315.40            |
| Services Formation Evaluation                              | 121                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Formation Stimulation - Fracturing                         | 122                 | \$ -            | \$ 1,904,010.00 | \$ -          | \$ -         | \$ 1,904,010.00         |
| Formation Stimulation - Other                              | 123                 | \$ -            | \$ 17,076.00    | \$ -          | \$ -         | \$ 17,076.00            |
| Hot Oiling Services  | 128                 | \$ -            | \$ 7,684.00     | \$ -          | \$ -         | \$ 7,684.00             |
| Inspection - Bottom Hole Assembly                          | 129                 | \$ 5,000.00     | \$ -            | \$ -          | \$ -         | \$ 5,000.00             |
| Inspection - Casing  | 130                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Inspection - Drill Pipe                                    | 131                 | \$ 25,000.00    | \$ -            | \$ -          | \$ -         | \$ 25,000.00            |
| Inspection - Site  | 132                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Inspection - Tubing  | 133                 | \$ -            | \$ 1,708.00     | \$ -          | \$ -         | \$ 1,708.00             |
| Installation / Removal - Pipeline                          | 135                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Instrumentation  | 138                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Labor - Company Supervision                                | 139                 | \$ -            | \$ -            | \$ 7,000.00   | \$ 6,000.00  | \$ 13,000.00            |
| Company Labor  | 140                 | \$ -            | \$ -            | \$ 42,000.00  | \$ -         | \$ 42,000.00            |
| Labor - Contract Employees                                 | 141                 | \$ -            | \$ -            | \$ 15,000.00  | \$ 1,000.00  | \$ 16,000.00            |
| Location Preparation                                       | 143                 | \$ 60,000.00    | \$ 854.00       | \$ -          | \$ -         | \$ 60,854.00            |
| Location Remediation & Maintenance                         | 144                 | \$ 180,000.00   | \$ 10,673.00    | \$ 2,000.00   | \$ -         | \$ 192,673.00           |
| Services Miscellaneous                                     | 146                 | \$ -            | \$ 5,550.00     | \$ -          | \$ -         | \$ 5,550.00             |
| Mud Logging Services                                       | 147                 | \$ 17,093.64    | \$ -            | \$ -          | \$ -         | \$ 17,093.64            |
| Drilling & Completion Rig Costs                            | 150                 | \$ 322,879.90   | \$ 98,189.00    | \$ -          | \$ 10,000.00 | \$ 431,068.90           |
| Drilling Well Turnkey Costs                                | 152                 | \$ 69,000.00    | \$ -            | \$ -          | \$ -         | \$ 69,000.00            |
| Rig Mobilization & De-Mobilization                         | 153                 | \$ 72,500.00    | \$ -            | \$ -          | \$ -         | \$ 72,500.00            |
| Security Services  | 154                 | \$ -            | \$ 12,807.00    | \$ -          | \$ -         | \$ 12,807.00            |
| Slickline Services   | 155                 | \$ -            | \$ -            | \$ 3,500.00   | \$ -         | \$ 3,500.00             |
| Survey - Location  | 156                 | \$ 1,500.00     | \$ -            | \$ -          | \$ -         | \$ 1,500.00             |
| Survey - Well  | 157                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Testing - Well Control Equipment                           | 160                 | \$ 5,700.00     | \$ 6,831.00     | \$ -          | \$ -         | \$ 12,531.00            |
| Transportation - Land                                      | 162                 | \$ 7,093.00     | \$ 21,345.00    | \$ 10,000.00  | \$ 5,000.00  | \$ 43,438.00            |
| Tubular Conveyed Perforating & Drill Stem Testing Services | 165                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Services Welding   | 166                 | \$ 3,500.00     | \$ -            | \$ -          | \$ -         | \$ 3,500.00             |
| Drill Bits   | 301                 | \$ 120,000.00   | \$ 8,538.00     | \$ -          | \$ -         | \$ 128,538.00           |
| Blow-Out Preventor   | 302                 | \$ 10,746.47    | \$ 42,691.00    | \$ -          | \$ 2,000.00  | \$ 55,437.47            |
| Completion Fluids  | 304                 | \$ -            | \$ 4,269.00     | \$ -          | \$ -         | \$ 4,269.00             |
| Cranes   | 307                 | \$ -            | \$ 8,538.00     | \$ -          | \$ -         | \$ 8,538.00             |
| Drill String   | 310                 | \$ 5,000.00     | \$ -            | \$ -          | \$ -         | \$ 5,000.00             |
| Electrical Repairs   | 311                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Fuel   | 313                 | \$ 53,732.34    | \$ 200,647.00   | \$ -          | \$ -         | \$ 254,379.34           |
| Gas Measurement  | 317                 | \$ -            | \$ -            | \$ 20,000.00  | \$ -         | \$ 20,000.00            |
| Heaters - Indirect Line                                    | 321                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Rent Lost in Hole  | 325                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Rent Miscellaneous Surface Equipment                       | 328                 | \$ 8,122.53     | \$ 140,880.00   | \$ 17,000.00  | \$ -         | \$ 166,002.53           |
| Mud - Drilling   | 329                 | \$ 271,876.22   | \$ -            | \$ -          | \$ -         | \$ 271,876.22           |
| Mud Monitoring & Processing Equipment                      | 330                 | \$ 64,478.81    | \$ -            | \$ -          | \$ -         | \$ 64,478.81            |
| Stabilizer, Under-Reamer, Hole-Opener                      | 341                 | \$ 8,597.17     | \$ -            | \$ -          | \$ -         | \$ 8,597.17             |
| Tools & Supplies   | 346                 | \$ -            | \$ -            | \$ 18,000.00  | \$ -         | \$ 18,000.00            |
| Vapor Recovery System                                      | 349                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Drilling Water   | 350                 | \$ 15,895.76    | \$ 480,000.00   | \$ -          | \$ -         | \$ 495,895.76           |
| Water Handling Equipment                                   | 351                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Drilling Insurance   | 501                 | \$ 5,000.00     | \$ -            | \$ -          | \$ -         | \$ 5,000.00             |
| Legal Fees   | 503                 | \$ 7,500.00     | \$ -            | \$ -          | \$ -         | \$ 7,500.00             |
| Regulatory Compliance                                      | 511                 | \$ 750.00       | \$ -            | \$ -          | \$ -         | \$ 750.00               |
| Overhead   | 965                 | \$ 8,274.63     | \$ -            | \$ -          | \$ -         | \$ 8,274.63             |
| Subtotal - Intangibles                                     |                     | \$ 1,974,250.00 | \$ 3,608,385.00 | \$ 131,000.00 | \$ 33,500.00 | \$ 5,747,135.00         |
| TANGIBLES  |                     |                 |                 |               |              |                         |
| Oil Measurement Equipment                                  | 332                 | \$ -            | \$ -            | \$ 78,000.00  | \$ -         | \$ 78,000.00            |
| Line Pipe & Battery Fittings                               | 335                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Pumps  | 336                 | \$ -            | \$ -            | \$ 25,000.00  | \$ -         | \$ 25,000.00            |
| Separators   | 340                 | \$ -            | \$ -            | \$ 62,000.00  | \$ -         | \$ 62,000.00            |
| Stock Tanks  | 345                 | \$ -            | \$ -            | \$ 31,000.00  | \$ -         | \$ 31,000.00            |
| Treaters   | 347                 | \$ -            | \$ -            | \$ 125,000.00 | \$ -         | \$ 125,000.00           |
| Utility Systems  | 348                 | \$ -            | \$ -            | \$ -          | \$ 10,000.00 | \$ 10,000.00            |
| Artificial Lift  | 601                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Casing Accessories   | 602                 | \$ 42,000.00    | \$ -            | \$ -          | \$ -         | \$ 42,000.00            |
| Miscellaneous Surface Equipment                            | 603                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Packers / Anchors / Liner Hangers                          | 604                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Water Casing (Conductor Casing)                            | 607                 | \$ 10,000.00    | \$ -            | \$ -          | \$ -         | \$ 10,000.00            |
| Pipe Surface Casing  | 608                 | \$ 30,000.00    | \$ -            | \$ -          | \$ -         | \$ 30,000.00            |
| Pipe Intermediate Casing                                   | 609                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Production Casing/Liner                                    | 610                 | \$ 280,250.00   | \$ -            | \$ -          | \$ -         | \$ 280,250.00           |
| Pipe Casing Liner  | 611                 | \$ -            | \$ -            | \$ -          | \$ 25,000.00 | \$ 25,000.00            |
| Tubing   | 613                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Rods   | 614                 | \$ -            | \$ -            | \$ -          | \$ 6,500.00  | \$ 6,500.00             |
| Tubing Accessories   | 616                 | \$ -            | \$ -            | \$ -          | \$ -         | \$ -                    |
| Wellhead   | 617                 | \$ 28,500.00    | \$ 25,615.00    | \$ -          | \$ -         | \$ 54,115.00            |
| Subtotal - Tangibles                                       |                     | \$ 390,750.00   | \$ 25,615.00    | \$ 321,000.00 | \$ 41,500.00 | \$ 778,865.00           |
| AFE TOTAL  |                     | \$ 2,365,000.00 | \$ 3,634,000.00 | \$ 452,000.00 | \$ 75,000.00 | \$ 6,526,000.00         |

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

NAME: \_\_\_\_\_  
PRINTED NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

COMPANY: \_\_\_\_\_  
DATE: \_\_\_\_\_



3/11/16