

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: Glock 17 MP Fed #1H		Prospect: 	
Location: SL: 400' FSL & 200' FWL BHL: 400' FSL & 330' FEL		County: Eddy	ST: NM
Sec: 17	Blk: 	Survey: 	TWP: 20S RNG: 29E Prop. TVD: 7807' TMD: 12300'

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Permits and Surveys		0180-0100	\$12,000	0180-0200	\$2,000
Location: Roads, Pits & Site Preparation		0180-0105	\$70,000	0180-0205	\$30,000
Location: Site Restoration, Excavation & Other		0180-0106	\$180,000	0180-0206	
Day Work, Footage, Turnkey Drilling 28 days Drig. 2 Comp. @ \$16,500/day + GRT		0180-0110	\$493,500	0180-0210	\$35,300
Fuel 900 gal/day @ \$3.50/gal		0180-0114	\$100,800		
Mud		0180-0120	\$75,000		
Chemicals and Additives		0180-0121		0180-0221	\$5,000
Cementing		0180-0125	\$125,000	0180-0225	\$80,000
Logging, Wireline & Coring Services gyro / cased hole logs		0180-0130	\$8,000	0180-0230	\$25,000
Casing, Tubing & Snubbing Services		0180-0134	\$30,000	0180-0234	\$25,000
Mud Logging		0180-0137	\$17,000		
Stimulation				0180-0241	\$1,300,000
Stimulation Rentals & Other				0180-0242	\$450,000
Water & Other		0180-0145	\$120,000		
Bits		0180-0148	\$55,000	0180-0248	
Inspection & Repair Services		0180-0150	\$20,000	0180-0250	\$1,500
Misc. Air & Pumping Services		0180-0154	\$50,000	0180-0254	\$8,000
Testing		0180-0158	\$17,000	0180-0258	\$15,000
Completion / Workover Rig				0180-0260	\$8,000
Rig Mobilization		0180-0164	\$85,000		
Transportation		0180-0165	\$50,000	0180-0265	\$8,000
Welding and Construction		0180-0168	\$6,000	0180-0268	\$10,000
Engineering & Contract Supervision		0180-0170	\$60,000	0180-0270	\$8,000
Directional Services		0180-0175	\$150,000		
Equipment Rental		0180-0180	\$220,000	0180-0280	\$5,000
Well / Lease Legal		0180-0184	\$8,500	0180-0284	\$1,000
Well / Lease Insurance		0180-0185	\$4,200	0180-0285	
Intangible Supplies		0180-0188	\$5,000	0180-0288	
Damages		0180-0190	\$5,000	0180-0290	
Pipeline, Road, Electrical ROW & Easements		0180-0192		0180-0292	\$10,000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$60,000	0180-0295	\$35,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$5,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 10% (TCP) 5% (CC)		0180-0199	\$203,700	0180-0299	\$103,300
TOTAL			\$2,240,700		\$2,170,100
TANGIBLE COSTS 0181					
Casing (19.1" - 30") 195' 20" 94# BTC @ \$68.95/ft + GRT		0181-0793	\$14,500		
Casing (10.1" - 19.0") 1080' 13 3/8" 48# STC @ \$37.25/ft + GRT		0181-0794	\$43,000		
Casing (8.1" - 10.0") 3000' 9 5/8" 36# J55 LTC \$25/ft + GRT		0181-0795	\$80,100		
Casing (6.1" - 8.0")		0181-0796			
Casing (4.1" - 6.0") 12300' 5 1/2" P110 LTC @ \$17.10/ft + GRT				0181-0797	\$224,600
Tubing (2" - 4") 7300' 2 7/8" 6.5# L80 EUE 8rd @ \$6.35/ft + GRT				0181-0798	\$49,600
Drilling Head		0181-0860	\$17,000		
Tubing Head & Upper Section				0181-0870	\$15,000
Downhole Directional Equipment				0181-0871	
Sucker Rods				0181-0875	\$30,000
Packer Pump & Subsurface Equipment ESP				0181-0880	\$40,000
Artificial Lift Systems				0181-0884	
Pumping Unit Sentry C912D-365-168 +GRT				0181-0885	\$110,000
Surface Pumps & Prime Movers				0181-0886	\$5,000
Tanks - Steel 3 - 500bbl				0181-0890	\$45,000
Tanks - Others 2 - 500bbl				0181-0891	\$30,000
Separation & Gas Treating Equipment 36"X10'X500# 3 phase separator				0181-0895	\$30,000
Heater Treaters, Line Heaters 6'X20'X75# heater treater				0181-0897	\$25,000
Metering Equipment				0181-0898	\$12,000
Line Pipe - Gas Gathering and Transportation				0181-0900	\$7,500
Misc. Fittings, Valves, Line Pipe and Accessories				0181-0906	\$40,000
Cathodic Protection				0181-0908	
Electrical Installations				0181-0909	\$40,000
Production Equipment Installation				0181-0910	\$35,000
Pipeline Construction				0181-0920	\$10,000
TOTAL			\$154,600		\$748,700
SUBTOTAL			\$2,395,300		\$2,918,800
TOTAL WELL COST		\$5,314,100			

Prepared by: J. Nave Date: 5/3/2013

Co. Approval: M. Whittier Date: 5/6/2013

Joint Owner Interest: _____ Amount: _____

Joint Owner Name: _____

Joint Owner Approval: _____

Operator has secured Operator's Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. Non-Operator may elect NOT to be covered by this Operator's Extra Expense Insurance only by signing below. The undersigned elects **NOT** to be covered by Operator's Extra Expense Insurance for their well.

Joint Owner Name: _____

Signature: _____

Form Rev. 4/2012