

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: Speedwagon 27 W2DM Fee 1H		Prospect: Wolfcamp	
Location: SL: 190' FNL & 660' FWL, BHL: 330' FSL & 660' FWL		County: Eddy ST: NM	
Sec: 27	BLK: 	TWP: 23S	RNG: 28E Prod: 10450' TMD: 15100'

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Permits and Surveys		0180-0100	\$10,000	0180-0200	
Location: Roads, Pits & Site Preparation		0180-0105	\$75,000	0180-0205	\$30,000
Location: Site Restoration, Excavation & Other		0180-0106	\$150,000	0180-0208	\$30,000
Day Work, Footage, Turnkey Drilling 32 days drlg & 2 comp @ \$18000/day		0180-0110	\$615,200	0180-0210	\$38,500
Fuel 1000 gal/day @ \$2.00/gal		0180-0114	\$68,000		
Mud		0180-0120	\$185,000		
Chemicals and Additives		0180-0121		0180-0221	\$5,000
Cementing		0180-0125	\$90,000	0180-0225	\$25,000
Logging, Wireline & Coring Services Gyro/Wireline for Plug & Perf		0180-0130	\$5,000	0180-0230	\$200,000
Casing, Tubing & Snubbing Services		0180-0134	\$25,000	0180-0234	\$15,000
Mud Logging		0180-0137	\$30,000		
Stimulation 7MM gals & 7MM# sand (20 stage)				0180-0241	\$1,250,000
Stimulation Rentals & Other				0180-0242	\$600,000
Water & Other		0180-0145	\$45,000		
Bits		0180-0148	\$70,000	0180-0248	\$2,500
Inspection & Repair Services		0180-0150	\$40,000	0180-0250	\$30,000
Misc. Air & Pumping Services Coil tbg drill out		0180-0154		0180-0254	\$175,000
Testing		0180-0158	\$20,000	0180-0258	\$30,000
Completion / Workover Rig 4 days @ \$3500/day (Toe prep & run GLV's)				0180-0260	\$14,000
Rig Mobilization		0180-0164	\$160,000		
Transportation		0180-0165	\$30,000	0180-0265	\$5,000
Welding and Construction		0180-0168	\$5,000	0180-0268	
Engineering & Contract Supervision		0180-0170		0180-0270	
Directional Services		0180-0175	\$150,000		
Equipment Rental Includes 4" DP rental		0180-0180	\$221,000	0180-0280	\$65,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$4,400	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190	\$5,000	0180-0290	
Pipeline, Road, Electrical ROW & Easements		0180-0192		0180-0292	
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$105,600	0180-0295	\$60,000
Overhead / Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies 10% (TCP) 5% (CC)		0180-0199	\$213,200	0180-0299	\$129,800
TOTAL			\$2,345,400		\$2,725,800

TANGIBLE COSTS 0181		CODE	TCP	CODE	CC
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 350' 13 3/8" 48# H40 STC @ \$24.75/ft + GRT		0181-0794	\$9,300		
Casing (8.1" - 10.0") 2700' 9 5/8" 38# J55 LTC @ \$19.14/ft + GRT		0181-0795	\$55,200		
Casing (6.1" - 8.0") 10800' 7" 26# HCP110 LTC @ \$26.20/ft + GRT		0181-0796	\$302,000		
Casing (4.1" - 6.0") 5200' 4 1/2" 13.5# P110 LTC @ \$14.50/ft + GRT				0181-0797	\$80,600
Tubing (2" - 4") 9850' 2 7/8" 6.5# L80 EUE 8rd @ \$5.23/ft + GRT				0181-0798	\$55,100
Drilling Head		0181-0880	\$12,000		
Tubing Head & Upper Section				0181-0870	\$12,000
Downhole Directional Equipment Halliburton VersaStim Liner Hanger				0181-0871	\$60,000
Sucker Rods				0181-0875	
Packer Pump & Subsurface Equipment				0181-0880	
Artificial Lift Systems Gas Lift				0181-0884	\$11,000
Pumping Unit				0181-0885	
Surface Pumps & Prime Movers				0181-0886	
Tanks - Steel 6-500bbl steel (3 coated)				0181-0890	\$78,900
Tanks - Others				0181-0891	
Separation & Gas Treating Equipment 30"x10"x1000# 3ph/24"x10"x1000# 2ph/FWKO				0181-0895	\$50,000
Heater Treaters, Line Heaters 6"x20"x75# HT				0181-0897	\$17,500
Metering Equipment				0181-0898	\$14,000
Line Pipe - Gas Gathering and Transportation				0181-0900	
Misc. Fittings, Valves, Line Pipe and Accessories				0181-0908	\$65,000
Cathodic Protection				0181-0908	\$5,000
Electrical Installations				0181-0909	
Production Equipment Installation				0181-0910	\$40,000
Pipeline Construction 1 1/2 mile 4" buried				0181-0920	\$150,000
TOTAL			\$378,500		\$639,100
SUBTOTAL			\$2,723,900		\$3,364,900
TOTAL WELL COST			\$6,088,800		

Prepared by: J. Nave Date: 4/24/2015
Co. Approval: *m. white* Date: 4/27/2016

Joint Owner Interest: 14.06250000% Amount: \$856,237.50

Joint Owner Name: MRC Permian Company

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: MRC Permian Company

Oil Conservation Division
Case No. 6
Exhibit No.