

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name Motley 6/7 W2DE Fed Com #1H		Prospect	
Location SL 220 FNL & 330 FWL (6) BHL 2310 FNL & 330 FWL (7)		County Eddy	ST NM
Sec 6	BLK	Surv y	TWP 24S RNG 28E Prop TVD 10252 TMD 17403

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Regulatory Permits & Surveys	0180 0100	\$15 000	0180 0200	
Location / Road / Site / Preparation	0180 0105	\$75 000	0180 0205	\$30 000
Location / Road / Site / Preparation	0180 0106	\$190 000	0180 0206	\$20 000
Daywork / Truck / Footage Drilling 24 days drilling & 3 days comp @ \$16000/day	0180 0110	\$410 200	0180 0210	\$52 000
Fuel 1500 gal/day @ \$1.80/gal	0180 0114	\$72 900		
Mud Chemical & Additives	0180 0120	\$135 000	0180 0220	
Horizontal Drilling Services Coiled Tubing Drilling			0180 0222	\$110 000
Cementing 2 Stg 7 w/ ECP	0180 0125	\$80 000	0180 0225	\$20 000
Logging & Wireline Services 56 stg	0180 0130	\$3 000	0180 0230	\$341 000
Casing / Tubing / Snubbing Services	0180 0134	\$25 000	0180 0234	\$20 000
Mud Logging	0180 0137	\$25 000		
Stimulation 56 stg 17 MM gal x 17 MMlbs			0180-0241	\$2 766 000
Stimulation Rentals & Other			0180 0242	\$145 000
Water & Other	0180 0145	\$40 000	0180-0245	\$543,000
Bits 8 bits	0180 0148	\$72 000	0180-0248	\$4 000
Inspection & Repair Services	0180-0150	\$40 000	0180-0250	\$5 000
Misc Air & Pumping Services Toe prep	0180 0154		0180-0254	\$10 000
Testing & Flowback Services	0180-0158	\$15 000	0180-0258	\$25 000
Completion / Workover Rig 4 days @ \$3500/day Toe Prep			0180-0260	\$15 000
Rig Mobilization	0180-0164	\$160 000		
Transportation	0180-0165	\$20 000	0180 0265	\$12 000
Welding Services	0180 0168	\$5 000	0180 0268	\$5 000
Contract Services & Supervision	0180 0170		0180 0270	
Directional Services	0180 0175	\$150 000		
Equipment Rental	0180 0180	\$170 000	0180 0280	\$30 000
Well / Lease Legal	0180 0184	\$5 000	0180-0284	
Well / Lease Insurance	0180 0185	\$5 400	0180 0285	
Intangible Supplies	0180 0188	\$8 000	0180 0288	\$1 000
Damages	0180 0190	\$20 000	0180 0290	
ROW & Easements	0180 0192		0180 0292	\$54 000
Pipeline Interconnect			0180 0293	
Company Services	0180 0195	\$114 000	0180 0295	\$105 000
Overhead Fixed Rate	0180 0196	\$10 000	0180 0296	\$20 000
Well Abandonment	0180 0198		0180 0298	
Contingencies 10% (TCP) 5% (CC)	0180 0199	\$186 600	0180 0299	\$216 700
TOTAL		\$2 052 100		\$4 549 700

TANGIBLE COSTS 0181	CODE	TCP	CODE	CC
Casing (19 1 30)	0181 0793			
Casing (10 1 19 0) 300 13 3/8 54 5# J55 STC @ \$25.87/ft GRT	0181 0794	\$8 300		
Casing (8 1 10 0) 2500 9 5/8 40# N80 LTC @ \$21.25/ft GRT	0181 0795	\$56 800		
Casing (6 1 8 0) 10300 7 26# P110 LTC @ \$16.49/ft GRT	0181 0796	\$182 000		
Casing (4 1 6 0) 7900 4 1/2 13 5# P110 LTC @ \$9.28/ft GRT			0181 0797	\$78 300
Tubing (2 4)			0181 0798	
Drilling Head	0181-0860	\$20 000		
Tubing Head & Upper Section Includes 10K Frac Valve & Tree			0181-0870	\$48 000
Horizontal Completion Tools Lateral Gauge			0181 0871	\$27 000
Sucker Rods			0181-0875	
Surface Equipment			0181-0880	
Artificial Lift Systems			0181 0884	
Pumpjack Unit			0181 0885	
Surface Pumps & Prime Movers VRU/SWD treatment pump			0181-0886	\$50 000
Tanks Oil 4 500 bbl steel			0181-0890	\$38 000
Tanks Water 4 500 bbl steel coated			0181 0891	\$44 000
Separation / Treating Equipment 36 x15x1k# Horizontal 3ph/30' x10x1k# 3ph/Gun Bbl			0181-0895	\$55 000
Heater Treaters Line Heaters 6x20x75# HT			0181-0897	\$13 000
Metering Equipment			0181-0898	\$7 000
Line Pipe & Valves Gathering SWD & 1 mile steel gas			0181-0900	\$164 000
Fitting / Valves & Accessories			0181-0906	\$50 000
Cathodic Protection			0181-0908	\$5 000
Electrical Installation			0181 0909	\$25 000
Equipment Installation			0181-0910	\$40 000
Pipeline Construction SWD & 1 mile steel gas			0181 0920	\$317 000
TOTAL		\$267 100		\$961 300
SUBTOTAL		\$2 319 200		\$5 511 000
TOTAL WELL COST		\$7 830 200		

Prepared by R T rell Date 1/5/2017C Appro I ME Whitaker D I 1/6/2017

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S g t re

Op t ha sec d Op ator Et E pe sel ceco e g t fwell t l clea p d d ll gas st med L e Item 0180 0185 No
 Op t m y l i NOT t b d by th Op t r Et F p l ly by g g b l w Th d r g d l t NOT to b red by
 Op rat r Et E p l s f th r well

J nt Own Nam

Signature

F m R 9/01/2015

EXHIBIT