

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

ACTUAL

Well Name: Owl Draw 22 W1AP Fed Com #1H Prospect:
Location: SL: 230' FSL & 660' FEL (15) BHL: 333' FSL & 650' FEL (22) County: Eddy ST: NM
Sec. 15 Blk: Survey: TWP: 26S RNG: 27E Prop. TVD: 9131' TMD: 13890'

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Permits and Surveys		0180-0100	\$7,327	0180-0200	
Location: Roads, Pits & Site Preparation		0180-0105	\$27,537	0180-0205	\$54,279
Location: Site Restoration, Excavation & Other		0180-0106	\$220,708	0180-0206	\$17,724
Day Work, Footage, Turnkey Drilling 36 days drlg, 3 comp @ \$21,000/Day + GRT		0180-0110	\$604,803	0180-0210	\$56,206
Fuel 1000 gal/day @ \$3.50/gal		0180-0114	\$107,897		
Mud		0180-0120	\$146,862		
Chemicals and Additives		0180-0121		0180-0221	\$43,749
Cementing		0180-0125	\$105,610	0180-0225	\$43,763
Logging, Wireline & Coring Services Gyro & Logs		0180-0130	\$13,913	0180-0230	\$213,277
Casing, Tubing & Snubbing Services		0180-0134	\$43,145	0180-0234	\$226,349
Mud Logging		0180-0137	\$35,382		
Stimulation				0180-0241	\$2,710,352
Stimulation Rentals & Other				0180-0242	\$865,560
Water & Other		0180-0145	\$59,358		
Bits		0180-0148	\$67,838	0180-0248	
Inspection & Repair Services		0180-0150	\$41,738	0180-0250	\$58,125
Misc. Air & Pumping Services N2, reverse unit & fluids for drillout		0180-0154		0180-0254	\$10,932
Testing		0180-0158	\$40,578	0180-0258	\$20,521
Completion / Workover Rig 8 days @ \$4500/day				0180-0260	\$24,981
Rig Mobilization		0180-0164	\$159,601		
Transportation		0180-0165	\$34,394	0180-0265	\$30,122
Welding and Construction		0180-0168	\$1,919	0180-0268	\$11,763
Engineering & Contract Supervision		0180-0170	\$45,551	0180-0270	\$13,139
Directional Services		0180-0175	\$188,028		\$78,804
Equipment Rental		0180-0180	\$260,613	0180-0280	
Well / Lease Legal		0180-0184	\$6,588	0180-0284	
Well / Lease Insurance		0180-0185	\$3,796	0180-0285	
Intangible Supplies		0180-0188		0180-0288	
Damages		0180-0190		0180-0290	
Pipeline, Road, Electrical ROW & Easements		0180-0192		0180-0292	
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$60,688	0180-0295	\$70,713
Overhead Fixed Rate		0180-0196	\$7,405	0180-0296	\$16,587
Well Abandonment		0180-0198		0180-0298	
Contingencies (TCP) (CC)		0180-0199		0180-0299	
TOTAL			\$2,291,278		\$4,566,946
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0") 420' 13 3/8" 48# H40 STC @ \$30.98/ft w/GRT		0181-0794	\$14,438		
Casing (8.1" - 10.0") 2130' 9 5/8" 36# J55 LTC @ \$22.91/ft w/GRT		0181-0795	\$56,493		
Casing (6.1" - 8.0") 9100' 7" 26# P110 LTC & BTC @ \$24.50		0181-0796	\$265,883		
Casing (4.1" - 6.0") 4500' 4 1/2" 13.50# P110 LTC @ \$13.45/ft w/GRT				0181-0797	\$87,757
Tubing (2" - 4") 8600' 2 7/8" 6.5# L80 EUE 8rd @ \$5.05/ft w/GRT				0181-0798	\$50,628
Drilling Head		0181-0860	\$15,088		
Tubing Head & Upper Section				0181-0870	\$22,354
Downhole Directional Equipment 30 stage pkr/ports				0181-0871	\$101,630
Sucker Rods				0181-0875	
Packer Pump & Subsurface Equipment 7" packer & insert pump				0181-0880	\$264
Artificial Lift Systems Gas Lift Valves				0181-0884	\$13,217
Pumping Unit Pumping Unit				0181-0885	
Surface Pumps & Prime Movers 75 HP PU motor				0181-0886	\$1,580
Tanks - Steel 3-500 bbl				0181-0890	\$100,895
Tanks - Others 2-500 bbl				0181-0891	
Separation & Gas Treating Equipment 2-30"x10"x1000# Vert Sep, 1-6"x20"x125# Hz Sep				0181-0895	\$48,492
Heater Treaters, Line Heaters 1-6"x20"x75# HT				0181-0897	\$18,686
Metering Equipment				0181-0898	\$12,247
Line Pipe - Gas Gathering and Transportation				0181-0900	\$7,198
Misc. Fittings, Valves, Line Pipe and Accessories				0181-0906	\$47,674
Cathodic Protection				0181-0908	
Electrical Installations				0181-0909	
Production Equipment Installation				0181-0910	\$61,170
Pipeline Construction				0181-0920	
TOTAL			\$351,901		\$573,792
SUBTOTAL			\$2,643,179		\$5,140,738
TOTAL WELL COST			\$7,783,917		

Prepared by: R. Terrell Date: 5/6/2016 (updated)Co. Approval: *m. white* Date: 5/6/2016 (updated)

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

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

ACTUAL

Well Name: Owl Draw 22/27 B2AP Fed Com #1H		Prospect: Owl Draw 22	
Location: SL: 200' FSL & 600' FEL (15) BHL: 336' FSL & 572' FWL (27)		County: Eddy	ST: NM
Sec. 22	Blk:	Survey:	TWP: 26S RNG: 27E Prop. TVD: 7599' TMD: 17650'

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Permits and Surveys	0180-0100	\$12,126	0180-0200	\$1,099
Location: Roads, Pits & Site Preparation	0180-0105	\$101,816	0180-0205	\$53,926
Location: Site Restoration, Excavation & Other	0180-0106	\$254,353	0180-0206	\$13,315
Day Work, Footage, Turnkey Drilling 29 days drlg, 3 comp @ \$21,000/Day + GRT	0180-0110	\$786,718	0180-0210	\$113,416
Fuel 1200 gal/day @ \$3.50/day	0180-0114	\$175,917		
Mud	0180-0120	\$234,533		
Chemicals and Additives	0180-0121		0180-0221	\$5,762
Cementing	0180-0125	\$137,019	0180-0225	\$148,362
Logging, Wireline & Coring Services Gyro/Cased hole & Wireline f/Frac Plugs	0180-0130	\$5,361	0180-0230	\$210,896
Casing, Tubing & Snubbing Services	0180-0134	\$22,498	0180-0234	\$54,705
Mud Logging	0180-0137	\$33,164		
Stimulation			0180-0241	\$3,005,656
Stimulation Rentals & Other			0180-0242	\$666,352
Water & Other	0180-0145	\$100,375		
Bits	0180-0148	\$138,974	0180-0248	
Inspection & Repair Services	0180-0150	\$23,970	0180-0250	\$6,250
Misc. Air & Pumping Services Nitrogen for plug drill-out	0180-0154		0180-0254	\$85,938
Testing	0180-0158	\$16,732	0180-0258	\$10,115
Completion / Workover Rig			0180-0260	\$47,175
Rig Mobilization	0180-0164	\$259,967		
Transportation	0180-0165	\$41,935	0180-0265	\$24,300
Welding and Construction	0180-0168	\$7,785	0180-0268	\$11,975
Engineering & Contract Supervision	0180-0170	\$66,829	0180-0270	\$7,230
Directional Services	0180-0175	\$218,900		
Equipment Rental	0180-0180	\$240,952	0180-0280	\$104,136
Well / Lease Legal	0180-0184	\$9,873	0180-0284	
Well / Lease Insurance	0180-0185	\$4,875	0180-0285	
Intangible Supplies	0180-0188	\$20,128	0180-0288	
Damages	0180-0190		0180-0290	
Pipeline, Road, Electrical ROW & Easements	0180-0192		0180-0292	\$266
Pipeline Interconnect			0180-0293	
Company Supervision	0180-0195	\$76,613	0180-0295	\$132,375
Overhead Fixed Rate	0180-0196	\$9,797	0180-0296	\$14,473
Well Abandonment	0180-0198		0180-0298	
Contingencies (TCP) (CC)	0180-0199	\$114,291	0180-0299	
TOTAL		\$3,115,499		\$4,717,723

TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 450' 13 3/8" 48# H40 ST&C @ \$34.50/ft w/GRT	0181-0794	\$13,420		
Casing (8.1" - 10.0") 5000' 9 5/8" 36# & 40# J55 & N80 @ \$23.24/ft w/GRT	0181-0795	\$227,695		
Casing (6.1" - 8.0")	0181-0796			
Casing (4.1" - 6.0") 17730' 5 1/2" 17# & 20# P110 LT&C/BT&C @ \$16.00 w/GRT			0181-0797	\$350,915
Tubing (2" - 4") 7400' 2 7/8" 6.5# L80 EUE 8rd @ \$6.35/ft w/GRT			0181-0798	\$44,880
Drilling Head	0181-0860	\$15,135		
Tubing Head & Upper Section			0181-0870	\$15,235
Downhole Directional Equipment Frac plugs			0181-0871	\$39,969
Sucker Rods			0181-0875	
Packer Pump & Subsurface Equipment 5 1/2" packer			0181-0880	
Artificial Lift Systems gas lift valves			0181-0884	\$9,472
Pumping Unit 912 unit + GRT			0181-0885	
Surface Pumps & Prime Movers			0181-0886	\$1,580
Tanks - Steel 4- 500 bbl steel			0181-0890	\$95,585
Tanks - Others 3 - 500 bbl fiberglass			0181-0891	
Separation & Gas Treating Equipment 2-36"x10"x500# 3-phase/1-6"x20"x250# horizontal			0181-0895	\$41,117
Heater Treaters, Line Heaters 6"x20"x75# heater treater			0181-0897	\$18,686
Metering Equipment			0181-0898	\$7,000
Line Pipe - Gas Gathering and Transportation			0181-0900	\$4,025
Misc. Fittings, Valves, Line Pipe and Accessories			0181-0906	\$60,329
Cathodic Protection			0181-0908	
Electrical Installations			0181-0909	
Production Equipment Installation			0181-0910	\$28,729
Pipeline Construction			0181-0920	
TOTAL		\$256,249		\$717,522
SUBTOTAL		\$3,371,748		\$5,435,245
TOTAL WELL COST		\$8,806,993		

Prepared by: R. Terrell Date: 5/6/2016 (updated)
Co. Approval: m. whitte Date: 5/6/2016 (updated)

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

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

ACTUAL

Well Name: Owl Draw 23 DM Federal Com #1H		Prospect: Wolfcamp Shale	
Location: SL: 375' FSL & 990' FWL (14) BHL: 344' FSL & 625' FWL (23)		County: Eddy	ST: NM
Sec. 23	Bk:	Survey:	TWP: 26S Rng: 27E Prop. TVD: 10090' TMD: 14900'

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Permits and Surveys	0180-0100	\$17,430	0180-0200	\$2,251
Location: Roads, Pits & Site Preparation	0180-0105	\$115,518	0180-0205	\$129,717
Location: Site Restoration, Excavation & Other	0180-0106	\$220,616	0180-0206	\$6,019
Day Work, Footage, Turnkey Drilling 36 days drlg. 4 comp @ \$16500/Day + GRT	0180-0110	\$968,407	0180-0210	\$51,437
Fuel 900 gal/day @ \$3.50/gal	0180-0114	\$192,472		
Mud	0180-0120	\$309,614		
Chemicals and Additives	0180-0121		0180-0221	\$46,197
Cementing	0180-0125	\$108,814	0180-0225	
Logging, Wireline & Coring Services Gyro & cased hole logs	0180-0130	\$51,616	0180-0230	
Casing, Tubing & Snubbing Services	0180-0134	\$37,744	0180-0234	\$37,543
Mud Logging	0180-0137	\$79,515		
Stimulation			0180-0241	\$2,011,069
Stimulation Rentals & Other			0180-0242	\$529,507
Water & Other	0180-0145	\$59,643		
Bits	0180-0148	\$121,611	0180-0248	\$2,543
Inspection & Repair Services	0180-0150	\$56,100	0180-0250	\$4,528
Misc. Air & Pumping Services	0180-0154		0180-0254	\$170,101
Testing	0180-0158	\$27,430	0180-0258	\$48,365
Completion / Workover Rig			0180-0260	\$33,800
Rig Mobilization	0180-0164	\$125,303		
Transportation	0180-0165	\$35,306	0180-0265	\$17,939
Welding and Construction	0180-0168	\$3,420	0180-0268	\$12,650
Engineering & Contract Supervision	0180-0170	\$95,384	0180-0270	\$5,670
Directional Services	0180-0175	\$498,555		
Equipment Rental	0180-0180	\$382,468	0180-0280	\$139,106
Well / Lease Legal	0180-0184	\$34,002	0180-0284	\$1,671
Well / Lease Insurance	0180-0185	\$4,240	0180-0285	
Intangible Supplies	0180-0188	\$63,359	0180-0288	
Damages	0180-0190	\$7,604	0180-0290	\$29,280
Pipeline, Road, Electrical ROW & Easements	0180-0192		0180-0292	\$2,648
Pipeline Interconnect			0180-0293	
Company Supervision	0180-0195	\$105,362	0180-0295	\$68,063
Overhead Fixed Rate	0180-0196	\$15,477	0180-0296	\$11,408
Well Abandonment	0180-0198		0180-0298	
Contingencies (TCP) (CC)	0180-0199	\$9,140	0180-0299	
TOTAL		\$3,746,150		\$3,361,508

TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 400' 13 3/8" 48# H40 STC @ \$37.00/ft	0181-0794	\$10,093		
Casing (8.1" - 10.0") 2500' 9 5/8" 36# J55 LTC @ \$25.00/ft	0181-0795	\$48,205		
Casing (6.1" - 8.0") 10980' 7" 26# P110 LTC/BTC @ \$28.00/ft	0181-0796	\$268,992		
Casing (4.1" - 6.0") 5000' 4 1/2" 13.5# P110 LTC @ \$14.00/ft			0181-0797	\$195,584
Tubing (2" - 4") 10200' 2 7/8" 6.5# L80 EUE 8rd @ \$6.35/ft			0181-0798	\$50,010
Drilling Head	0181-0860	\$17,632		
Tubing Head & Upper Section			0181-0870	\$67,988
Downhole Directional Equipment 30 stage packer/port system			0181-0871	\$447,223
Sucker Rods			0181-0875	
Packer Pump & Subsurface Equipment 7" packer			0181-0880	\$14,313
Artificial Lift Systems Gas Lift (8 valves)			0181-0884	
Pumping Unit			0181-0885	
Surface Pumps & Prime Movers water transfer pump			0181-0886	\$25,354
Tanks - Steel 4 - 500 bbl steel			0181-0890	\$43,459
Tanks - Others 2 - 500 bbl fiberglass			0181-0891	\$21,288
Separation & Gas Treating Equipment 2 - 36'x10'x500# 3-phase			0181-0895	\$33,953
Heater Treaters, Line Heaters 6'x20'x75# heater treater			0181-0897	\$19,685
Metering Equipment			0181-0898	\$6,830
Line Pipe - Gas Gathering and Transportation			0181-0900	\$15,154
Misc. Fittings, Valves, Line Pipe and Accessories			0181-0906	\$80,132
Cathodic Protection			0181-0908	
Electrical Installations			0181-0909	
Production Equipment Installation			0181-0910	\$40,649
Pipeline Construction			0181-0920	
TOTAL		\$344,922		\$1,061,622
SUBTOTAL		\$4,091,072		\$4,423,130
TOTAL WELL COST		\$8,514,202		

Prepared by: R. Terrell Date: 5/6/2016 (updated)
Co. Approval: m. whitte Date: 5/6/2016 (updated)

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

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

ACTUAL

Well Name: Owl Draw 23 DM Fed Com #2H Prospect: Owl Draw 23
Location: SL: 370' FSL & 1055' FWL (14) BHL: 334' FSL & 661' FWL (23) County: Eddy ST: NM
Sec. 23 Blk: Survey: TWP: 26S RNG: 27E Prop. TVD: 7568' TMD: 12530'

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Permits and Surveys	0180-0100		0180-0200	\$2,251
Location: Roads, Pits & Site Preparation	0180-0105	\$31,545	0180-0205	\$63,389
Location: Site Restoration, Excavation & Other	0180-0106	\$215,606	0180-0206	
Day Work, Footage, Turnkey Drilling 18 days drlg, 2 comp @ \$16,500/Day + GRT	0180-0110	\$438,007	0180-0210	\$35,625
Fuel 900 gal/day @ \$3.50/gal	0180-0114	\$82,439		
Mud	0180-0120			
Chemicals and Additives	0180-0121	\$56,607	0180-0221	
Cementing	0180-0125	\$90,809	0180-0225	
Logging, Wireline & Coring Services Gyro & Cased hole logs	0180-0130	\$7,931	0180-0230	
Casing, Tubing & Snubbing Services	0180-0134	\$54,075	0180-0234	\$12,450
Mud Logging	0180-0137	\$20,680		
Stimulation			0180-0241	\$788,982
Stimulation Rentals & Other			0180-0242	\$173,327
Water & Other	0180-0145	\$59,835		
Bits	0180-0148	\$59,069	0180-0248	
Inspection & Repair Services	0180-0150	\$36,552	0180-0250	\$1,280
Misc. Air & Pumping Services	0180-0154		0180-0254	\$32,331
Testing	0180-0158	\$35,896	0180-0258	\$8,364
Completion / Workover Rig			0180-0260	\$16,888
Rig Mobilization	0180-0164	\$187,252		
Transportation	0180-0165	\$12,491	0180-0265	\$7,732
Welding and Construction	0180-0168	\$999	0180-0268	\$6,600
Engineering & Contract Supervision	0180-0170	\$35,561	0180-0270	\$7,094
Directional Services	0180-0175	\$135,243		
Equipment Rental	0180-0180	\$146,894	0180-0280	\$52,533
Well / Lease Legal	0180-0184	\$6,511	0180-0284	
Well / Lease Insurance	0180-0185	\$3,693	0180-0285	
Intangible Supplies	0180-0188	\$6,647	0180-0288	
Damages	0180-0190		0180-0290	
Pipeline, Road, Electrical ROW & Easements	0180-0192		0180-0292	
Pipeline Interconnect			0180-0293	
Company Supervision	0180-0195	\$35,800	0180-0295	\$20,175
Overhead Fixed Rate	0180-0196	\$5,370	0180-0296	\$15,742
Well Abandonment	0180-0198		0180-0298	
Contingencies (TCP) (CC)	0180-0199	\$3,279	0180-0299	
TOTAL		\$1,768,790		\$1,244,762
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 550' 13 3/8" 48# H40 ST&C @ \$34.50/ft w/GRT	0181-0794	\$16,442		
Casing (8.1" - 10.0") 2200' 9 5/8" 36# J55 @ \$25.00/ft w/GRT	0181-0795	\$54,489		
Casing (6.1" - 8.0")	0181-0796	\$302,049		
Casing (4.1" - 6.0") 12900' - 5 1/2" 17# HCP110 LTC & BTC @ \$15.30/ft w/GRT			0181-0797	\$64,034
Tubing (2" - 4") 7150' 2 7/8" 6.5# L80 EUE 8rd @ \$6.35/ft w/GRT			0181-0798	\$42,049
Drilling Head	0181-0860	\$20,425		
Tubing Head & Upper Section			0181-0870	\$15,270
Downhole Directional Equipment			0181-0871	\$225,527
Sucker Rods			0181-0875	\$19,285
Packer Pump & Subsurface Equipment			0181-0880	
Artificial Lift Systems			0181-0884	\$9,699
Pumping Unit 912 unit + GRT			0181-0885	\$101,705
Surface Pumps & Prime Movers			0181-0886	
Tanks - Steel 3- 500 bbl steel			0181-0890	\$54,392
Tanks - Others 2 - 500 bbl fiberglass			0181-0891	\$21,288
Separation & Gas Treating Equipment 2 - 36"x10"x500# 3-phase separators/flare stack			0181-0895	\$27,043
Heater Treaters, Line Heaters 6'x20'x75# heater treater			0181-0897	\$19,685
Metering Equipment			0181-0898	\$10,962
Line Pipe - Gas Gathering and Transportation			0181-0900	\$794
Misc. Fittings, Valves, Line Pipe and Accessories			0181-0906	\$68,387
Cathodic Protection			0181-0908	
Electrical Installations			0181-0909	
Production Equipment Installation			0181-0910	\$38,983
Pipeline Construction			0181-0920	
TOTAL		\$393,406		\$719,101
SUBTOTAL		\$2,162,196		\$1,963,864
TOTAL WELL COST		\$4,126,060		

Prepared by: R. Terrell Date: 5/6/2016 (updated)
Co. Approval: m. whitte Date: 5/6/2016 (updated)

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

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: Owl Draw 22/27 B2BO Fed Com #2H

Prospect:

Location: SL: 330' FNL & 1585' FEL (22), BHL: 330' FSL & 1980' FEL (27)

County: Eddy

ST: NM

Sec. 22

Blk:

Survey:

TWP: 26S

RNG: 27E

Prop. TVD: 7569'

TMD: 17300'

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Permits and Surveys	0180-0100	\$10,000	0180-0200	
Location: Roads, Pits & Site Preparation	0180-0105	\$90,000	0180-0205	\$30,000
Location: Site Restoration, Excavation & Other	0180-0106	\$250,000	0180-0206	\$30,000
Day Work, Footage, Turnkey Drilling 31 days drlg & 2 comp @ \$21600/day	0180-0110	\$715,000	0180-0210	\$46,200
Fuel 1000 gal/day @ \$3.5/gal	0180-0114	\$115,500		
Mud	0180-0120	\$220,000		
Chemicals and Additives	0180-0121		0180-0221	
Cementing	0180-0125	\$125,000	0180-0225	\$150,000
Logging, Wireline & Coring Services Gryo/Wireline for Plug & Perf	0180-0130	\$8,000	0180-0230	\$200,000
Casing, Tubing & Snubbing Services	0180-0134	\$20,000	0180-0234	\$25,000
Mud Logging	0180-0137	\$33,000		
Stimulation			0180-0241	\$2,840,000
Stimulation Rentals & Other			0180-0242	\$600,000
Water & Other	0180-0145	\$80,000		
Bits	0180-0148	\$90,000	0180-0248	\$2,000
Inspection & Repair Services	0180-0150	\$50,000	0180-0250	\$1,500
Misc. Air & Pumping Services Nitrogen for drillout	0180-0154		0180-0254	\$200,000
Testing	0180-0158	\$25,000	0180-0258	\$40,000
Completion / Workover Rig 4 days @ \$4500/day			0180-0260	\$18,000
Rig Mobilization	0180-0164	\$200,000		
Transportation	0180-0165	\$35,000	0180-0265	\$1,000
Welding and Construction	0180-0168	\$7,500	0180-0268	
Engineering & Contract Supervision	0180-0170	\$62,000	0180-0270	\$4,000
Directional Services	0180-0175	\$185,000		
Equipment Rental	0180-0180	\$200,000	0180-0280	\$18,000
Well / Lease Legal	0180-0184		0180-0284	
Well / Lease Insurance	0180-0185		0180-0285	
Intangible Supplies	0180-0188	\$10,000	0180-0288	
Damages	0180-0190	\$10,000	0180-0290	
Pipeline, Road, Electrical ROW & Easements	0180-0192		0180-0292	
Pipeline Interconnect			0180-0293	
Company Supervision	0180-0195	\$62,000	0180-0295	\$30,000
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment	0180-0198		0180-0298	
Contingencies 10% (TCP) 5% (CC)	0180-0199	\$261,300	0180-0299	\$212,800
TOTAL		\$2,874,300		\$4,468,500
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 400' 13 3/8" 48# H40 STC @ \$32.52/ft + GRT	0181-0794	\$13,900		
Casing (8.1" - 10.0") 5850' 9 5/8" 36/40# J55/N80/HCL80 LTC @ \$36.26/ft + GRT	0181-0795	\$226,600		
Casing (6.1" - 8.0") 7050' 7" 26# HCP110 LTC @ \$26.6/ft + GRT	0181-0796	\$200,300		
Casing (4.1" - 6.0") 10200' 5 1/2" 17# P110 LTC/BTC @ \$18.25/ft + GRT			0181-0797	\$200,000
Tubing (2" - 4") 7100' 2 7/8" 6.5# L80 EUE 8rd @ \$5.8/ft + GRT			0181-0798	\$44,000
Drilling Head	0181-0860	\$15,000		
Tubing Head & Upper Section			0181-0870	\$15,000
Downhole Directional Equipment Halliburton RSI tool & Baker 7" x 5-1/2" X-over			0181-0871	\$35,000
Sucker Rods			0181-0875	\$35,000
Packer Pump & Subsurface Equipment rod pump			0181-0880	\$15,000
Artificial Lift Systems Gas Lift			0181-0884	\$14,000
Pumping Unit Lufkin 912			0181-0885	\$135,000
Surface Pumps & Prime Movers A62 gas engine			0181-0886	\$23,000
Tanks - Steel 8-500bbl steel (4 coated)			0181-0890	\$128,000
Tanks - Others			0181-0891	
Separation & Gas Treating Equipment 30"x10"x1000# 3ph/24"x10"x1000# 2ph/FWKO			0181-0895	\$72,000
Heater Treaters, Line Heaters 6"x20"x75# HT			0181-0897	\$20,000
Metering Equipment			0181-0898	\$15,000
Line Pipe - Gas Gathering and Transportation			0181-0900	\$15,000
Misc. Fittings, Valves, Line Pipe and Accessories			0181-0906	\$60,000
Cathodic Protection			0181-0908	\$5,000
Electrical Installations			0181-0909	
Production Equipment Installation			0181-0910	\$50,000
Pipeline Construction 1/4 mile 4" buried steel			0181-0920	\$30,000
TOTAL		\$455,800		\$911,000
SUBTOTAL		\$3,330,100		\$5,379,500
TOTAL WELL COST		\$8,709,600		

Prepared by: J. Nave

Date: 10/3/2014

Co. Approval: *m. whitte*

Date: 10/8/2014

Joint Owner Interest: Amount:

Joint Owner Name: Signature:

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: 9/2014

File: Owl Draw 22-27 B2BO Fed Com #2H.xls

MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: Owl Draw 27-22 B2MD Fed Com 1H

Prospect:

Location: SL: 170' FSL & 330' FWL (27), BHL: 330' FNL & 330' FWL (22)

County: Eddy

ST: NM

Sec. 27

Blk:

Survey:

TWP: 26S

RNG: 27E

Prop. TVD: 7570'

TMD: 17500'

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Permits and Surveys	0180-0100	\$10,000	0180-0200	
Location: Roads, Pits & Site Preparation	0180-0105	\$70,000	0180-0205	\$50,000
Location: Site Restoration, Excavation & Other	0180-0106	\$225,000	0180-0206	
Day Work, Footage, Turnkey Drilling 33 days drlg & 3 comp @ \$18500/day	0180-0110	\$652,100	0180-0210	\$59,300
Fuel 1000 gal/day @ \$2.50/gal	0180-0114	\$90,000		
Mud	0180-0120	\$175,000		
Chemicals and Additives	0180-0121		0180-0221	
Cementing	0180-0125	\$60,000	0180-0225	\$60,000
Logging, Wireline & Coring Services Gryo/Wireline for Plug & Perf/TCP	0180-0130	\$6,500	0180-0230	\$146,000
Casing, Tubing & Snubbing Services	0180-0134	\$20,000	0180-0234	\$30,000
Mud Logging	0180-0137	\$40,000		
Stimulation 20 stages 7 MM gals SW x 8.5MM#			0180-0241	\$1,470,000
Stimulation Rentals & Other			0180-0242	\$650,000
Water & Other	0180-0145	\$80,000		
Bits	0180-0148	\$80,000	0180-0248	\$2,500
Inspection & Repair Services	0180-0150	\$50,000	0180-0250	\$6,500
Misc. Air & Pumping Services N2 & Reverse (Toe prep and drill out)	0180-0154		0180-0254	\$150,000
Testing	0180-0158	\$20,000	0180-0258	\$15,000
Completion / Workover Rig 10 days @ \$3500/day (Toe prep and Drillout)			0180-0260	\$35,000
Rig Mobilization	0180-0164	\$160,000		
Transportation	0180-0165	\$30,000	0180-0265	\$1,000
Welding and Construction	0180-0168	\$5,000	0180-0268	
Engineering & Contract Supervision	0180-0170	\$39,600	0180-0270	\$3,600
Directional Services	0180-0175	\$200,000		
Equipment Rental	0180-0180	\$198,000	0180-0280	\$50,000
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	\$5,000	0180-0290	
Pipeline, Road, Electrical ROW & Easements	0180-0192		0180-0292	
Pipeline Interconnect			0180-0293	
Company Supervision	0180-0195	\$66,000	0180-0295	\$30,000
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment	0180-0198		0180-0298	
Contingencies 10% (TCP) 5% (CC)	0180-0199	\$231,100	0180-0299	\$139,000
TOTAL		\$2,541,700		\$2,918,900
TANGIBLE COSTS 0181				
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 400' 13 3/8" 48# H40 STC @ \$32.52/ft + GRT	0181-0794	\$13,900		
Casing (8.1" - 10.0") 5900' 9 5/8" 36/40# J55/N80/HCL80 LTC @ \$28.00/ft + GRT	0181-0795	\$176,500		
Casing (6.1" - 8.0") 7100' 7" 26# HCP110 LTC @ \$26.60/ft + GRT	0181-0796	\$201,700		
Casing (4.1" - 6.0") 10400' 5 1/2" 17# P110 LTC/BTC @ \$18.10/ft + GRT			0181-0797	\$201,100
Tubing (2" - 4") 7100' 2 7/8" 6.5# L80 EUE 8rd @ \$5.23/ft + GRT			0181-0798	\$39,700
Drilling Head	0181-0860	\$14,000		
Tubing Head & Upper Section			0181-0870	\$14,000
Downhole Directional Equipment Baker 7" x 5-1/2" X-over			0181-0871	\$4,000
Sucker Rods			0181-0875	\$30,000
Packer Pump & Subsurface Equipment rod pump			0181-0880	\$10,000
Artificial Lift Systems Gas Lift			0181-0884	\$10,000
Pumping Unit Lufkin 912			0181-0885	\$100,000
Surface Pumps & Prime Movers A62 gas engine & SWD transfer pump			0181-0886	\$45,000
Tanks - Steel 8-500bbl steel (4 coated)			0181-0890	\$105,200
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			0181-0906	\$60,000
Cathodic Protection			0181-0908	
Electrical Installations 1 mile overhead electric			0181-0909	\$100,000
Production Equipment Installation			0181-0910	\$50,000
Pipeline Construction 1 mile 4" buried steel			0181-0920	\$10,000
TOTAL		\$406,100		\$860,500
SUBTOTAL		\$2,947,800		\$3,779,400
TOTAL WELL COST		\$6,727,200		

Prepared by: J. Nave

Date: 3/12/2015

Co. Approval:

Date: 3/13/2015

Joint Owner Interest: Amount:

Joint Owner Name:

Signature:

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: 9/2014

MEWBOURNE OIL COMPANY
AUTHORIZATION FOR EXPENDITURE

Well Name: Owl Draw 27/22 W2NC Fed Com #2HProspect:

Location: SL:170' FSL & 2230' FWL, Sec 27;BHL:330' FNL & 2310' FWL, Sec 22County: EddyST: NM

Sec. 27Blk:Survey:TWP: 26SRNG: 27EProp. TVD: 10006'TMD: 19830'

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	\$12,000	0180-0200	
Location / Road / Site / Preparation		0180-0105	\$65,000	0180-0205	\$35,000
Location / Restoration		0180-0106	\$200,000	0180-0206	\$20,000
Daywork / Turnkey / Footage Drilling	38 days drlg & 4 comp @ \$16500/day	0180-0110	\$670,000	0180-0210	\$71,000
Fuel	1500 gal/day @ \$1.50/gal	0180-0114	\$101,000		
Mud, Chemical & Additives		0180-0120	\$230,000	0180-0220	
Horizontal Drillout Services	Coil Tbg Drillout			0180-0222	\$120,000
Cementing		0180-0125	\$75,000	0180-0225	\$35,000
Logging & Wireline Services	Gyro/Cased Hole Log & Completion Wireline	0180-0130	\$3,000	0180-0230	\$257,000
Casing / Tubing / Snubbing Service		0180-0134	\$20,000	0180-0234	\$25,000
Mud Logging		0180-0137	\$16,000		
Stimulation	43 Stg 17MM gal/17MM lb			0180-0241	\$2,000,000
Stimulation Rentals & Other				0180-0242	\$210,000
Water & Other		0180-0145	\$40,000	0180-0245	\$1,075,000
Bits		0180-0148	\$90,000	0180-0248	\$4,000
Inspection & Repair Services		0180-0150	\$35,000	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	\$30,000
Completion / Workover Rig	7 days @ \$3500/d Toe Prep/Run GL			0180-0260	\$18,700
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	\$160,000		
Equipment Rental		0180-0180	\$250,000	0180-0280	\$30,000
Well / Lease Legal		0180-0184	\$5,000	0180-0284	
Well / Lease Insurance		0180-0185	\$3,400	0180-0285	
Intangible Supplies		0180-0188	\$8,000	0180-0288	\$1,000
Damages		0180-0190		0180-0290	
ROW & Easements		0180-0192		0180-0292	
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	\$285,000	0180-0295	\$120,000
Overhead Fixed Rate		0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment		0180-0198		0180-0298	
Contingencies	10% (TCP) 5% (CC)	0180-0199	\$247,800	0180-0299	\$205,200
TOTAL			\$2,726,200		\$4,308,900
TANGIBLE COSTS 0181					
Casing (19.1" - 30")		0181-0793			
Casing (10.1" - 19.0")	375' - 13 3/8" 54.5# J55 STC @ \$27.95/ft + GRT	0181-0794	\$11,200		
Casing (8.1" - 10.0")	2050' - 9 5/8" 36# J55 LTC @ \$18.39/ft + GRT	0181-0795	\$40,300		
Casing (6.1" - 8.0")	10340' - 7" 26# HCP110 LTC/BTC @ \$26.50/ft + GRT	0181-0796	\$292,700		
Casing (4.1" - 6.0")	10400' - 4 1/2" 13.5# P110 LTC @ \$15.05/ft + GRT			0181-0797	\$167,200
Tubing (2" - 4")	9450' - 2 7/8" 6.5# L80 @ \$3.57/ft + GRT			0181-0798	\$36,100
Drilling Head		0181-0860	\$12,000		
Tubing Head & Upper Section				0181-0870	\$15,000
Horizontal Completion Tools	Resource Completions Liner Hanger			0181-0871	\$25,000
Sucker Rods				0181-0875	
Subsurface Equipment				0181-0880	
Artificial Lift Systems	Gas Lift Valves			0181-0884	\$13,000
Pumping Unit				0181-0885	
Surface Pumps & Prime Movers	SWD Transfer Pump & VRU			0181-0886	\$34,000
Tanks - Oil	4 - 500 bbl steel			0181-0890	\$38,000
Tanks - Water	4 - 500 bbl steel coated			0181-0891	\$44,000
Separation / Treating Equipment	30"x10"x1000# 3ph & 24"x10"x1000# 2ph			0181-0895	\$21,000
Heater Treaters, Line Heaters	6'x20'x75# HT			0181-0897	\$13,000
Metering Equipment				0181-0898	\$14,000
Line Pipe & Valves - Gathering	4" steel pipe			0181-0900	\$3,000
Fittings / Valves & Accessories				0181-0906	\$45,000
Cathodic Protection				0181-0908	\$5,000
Electrical Installation				0181-0909	
Equipment Installation				0181-0910	\$35,000
Pipeline Construction	500' buried steel			0181-0920	\$15,000
TOTAL			\$356,200		\$523,300
SUBTOTAL			\$3,082,400		\$4,832,200
TOTAL WELL COST			\$7,914,600		

Prepared by: A. TaylorDate: 4/13/2016

Co. Approval: m. whitteDate: 4/13/2016

Joint Owner Interest: Amount:

Joint Owner Name:

Signature:

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: 9/01/2015