

Exhibit A-12: Original Well Proposal with AFEs

For

Hearing Packet Part 1

Case Nos. 21393 & 21394



July 13, 2020

EOG Resources, Inc.
 5509 Champions Dr.
 Midland, TX 79706
 Attn: NM Land Department

RE: Anvil Development Area
T20S-R30E
 Sec. 28: E2W2
 Sec. 33: E2W2
 320 Gross Acres, more or less
 Eddy County, New Mexico

Dear Working Interest Owner:

Ascent Energy, LLC (“Ascent”) hereby proposes the drilling, completing and equipping the following wells located in Sections 28 and 33 of T20S-R30E, Eddy County, New Mexico, (collectively known as the “Anvil Wells”).

<u>Well Name</u>	<u>Legal Description</u>	<u>Formation</u>	<u>TVD</u>	<u>TMD</u>	<u>AFE</u>
Anvil Fed Com #502H	T20S-R03E Sec. 28: E2W2 Sec. 33: E2W2 SLH: 415' FNL, 325' FEL, in Sec. 4, T21S-R29E BHL: 100' FNL, 1320' FWL, in Sec. 28, T20S-R30E	2nd Bone Spring	8,758'	19,526'	\$7,293,775
Anvil Fed Com #503H	T20S-R03E Sec. 28: E2W2 Sec. 33: E2W2 SLH: 460' FNL, 265' FEL, in Sec. 4, T21S-R29E BHL: 100' FNL, 2310' FWL, in Sec. 28, T20S-R30E	2nd Bone Spring	8,658'	19,467'	\$7,293,775
Anvil Fed Com #602H	T20S-R03E Sec. 28: E2W2 Sec. 33: E2W2 SLH: 460' FNL, 295' FEL, in Sec. 4, T21S-R29E BHL: 100' FNL, 2310' FWL, in Sec. 28, T20S-R30E	3rd Bone Spring	9,877'	20,741'	\$7,355,275
Anvil Fed Com #703H	T20S-R03E Sec. 28: E2W2 Sec. 33: E2W2 SLH: 415' FNL, 295' FEL, in Sec. 4, T21S-R29E BHL: 100' FNL, 1650' FWL, in Sec. 28, T20S-R30E	Wolfcamp	10,102'	20,898'	\$7,853,446

July 13, 2020

Page 2 of 3

Ascent's records indicate that EOG Resources, Inc. ("EOG") owns a 3.49% working interest in the associated Anvil Wells. EOG's estimated collective costs associated with the Anvil Wells are approximately \$1,040,777.

Ascent reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. Ascent will advise you of any such modifications.

In addition, Ascent proposes the Operation under the terms of a modified 2015 Horizontal AAPL Form 610 Operating Agreement ("OA") with the following basic terms.

- Contract Area:
Township 20 South, Range 30 East
Section 28: E2W2
Section 33: E2W2
- Ascent named as Operator
- 100%/300%/300% non-consent penalties
- \$8,000.00/\$800.00 drilling and producing overhead rates

Please indicate your election in the Operation and return a signed copy within thirty (30) days of receipt of this notice to Ascent. If EOG is interested in selling its interest in the Contract Area, please contact the undersigned at your earliest convenience.

Ascent looks forward to working with EOG on this matter and may file for compulsory pooling in the near future to pool any uncommitted working interest owners. If you have any questions or concerns, please do not hesitate to contact the undersigned at (720) 710-8923 or lzink@ascentenergy.us.

Very Truly Yours,



Lee Zink
Vice President of Land
Ascent Energy, LLC
1125 17th Street, Suite 410
Denver, CO 80202

Enclosure(s): Anvil Fed Com #502H AFE
Anvil Fed Com #503H AFE
Anvil Fed Com #602H AFE
Anvil Fed Com #702H AFE

Well Election(s)

___ EOG hereby elects to participate in the proposed Anvil Fed Com #502H Operation by paying its proportionate share of the costs outlined on the associated AFE.

___ EOG hereby elects not to participate in the proposed Anvil Fed Com #502H Operation.

___ EOG hereby elects to participate in the proposed Anvil Fed Com #503H Operation by paying its proportionate share of the costs outlined on the associated AFE.

___ EOG hereby elects not to participate in the proposed Anvil Fed Com #503H Operation.

___ EOG hereby elects to participate in the proposed Anvil Fed Com #602H Operation by paying its proportionate share of the costs outlined on the associated AFE.

___ EOG hereby elects not to participate in the proposed Anvil Fed Com #602H Operation.

___ EOG hereby elects to participate in the proposed Anvil Fed Com #702H Operation by paying its proportionate share of the costs outlined on the associated AFE.

___ EOG hereby elects not to participate in the proposed Anvil Fed Com #702H Operation.

Working Interest Owner:

EOG Resources, Inc.

By: _____

Title: _____

Date: _____

Ascent Energy, LLC

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE (AFE)

COST CENTER	Anvil Fed Com #502H	BUD YEAR	2020	DATE	June 11, 2020
AFE NO.		CATEGORY	D&C	SUPPLEMENT NO.	
FIELD	Rawhide	REGION	Delaware Basin	LEGAL:	
OPERATOR	Ascent Energy, LLC	WELL NO.	#502	W.I.	
OBJECTIVE	2nd Bone Spring	STATE	NM	MD/TVD	8750' TVD

ESTIMATED PROJECT START DATE: **1Q2021**
 DESCRIPTION: Drill to 8750ft vertical, drill curve and 2 mile lateral. 4 string design. 60 stage slickwater completion.

INTANGIBLE DRILLING COSTS

ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8305 101	Location Cleanup & Damages			\$150,000		\$150,000
8305 102	Rig Move - MIRU, RDMO			\$150,000		150,000
8305 103	Rig Contractor-Daywork/FT			\$465,000		465,000
8305 104	Rig Contractor-Turnkey					0
8305 105	Power & Fuel			\$126,480		126,480
8305 106	Drill Fluids & Chemicals			\$75,000		75,000
8305 107	Bits, Reamer, Stabilizers			\$100,000		100,000
8305 108	Cement & Cementing Services			\$115,000		115,000
8305 109	Mud Logging/Geosteering			\$37,000		37,000
8305 110	Open Hole Logging			\$0		0
8305 111	Csq Crews & Tools			\$90,000		90,000
8305 112	Directional Tools & Service			\$309,225		309,225
8305 114	Form Eval - Well Testing DST - Coring, Sampling					0
8305 115	Tubular Inspection			\$50,000		50,000
8305 116	Equipment Rentals			\$200,000		200,000
8305 117	Contract Labor & Services			\$105,000		105,000
8305 118	Wellsite Consultants			\$40,300		40,300
8305 119	Company Supervisor & Labor					0
8305 120	Transportation			\$60,000		60,000
8305 121	Mud,Cuttings & Water Disposal			\$110,000		110,000
8305 122	Insurance			\$34,368		34,368
8305 123	Overhead			\$25,000		25,000
8305 124	Water & Water Well			\$60,000		60,000
8305 125	Unanticipated MjrExp (Fishing)					0
8305 126	Legal			\$50,000		50,000
8305 127	Outside Operated Other					0
8305 128	Permits			\$30,000		30,000
8305 129	Environmental & Safety			\$20,000		20,000
8305 130	Plugging					0
	SUBTOTAL			\$2,402,373		\$2,402,373
8305 199	CONTINGENCY (%)	3.00%		72,071		72,071
	SUB-TOTAL INTANGIBLE DRILLING COSTS			\$2,474,444		\$2,474,444

INTANGIBLE COMPLETION COSTS

ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8306 201	Location & Cleanup				\$10,000	\$10,000
8306 202	Power & Fuel				150,000	150,000
8306 203	Compl Fluids & Chemicals				50,000	50,000
8306 204	Bits, Reamer, Stabilizers					0
8306 205	Cement & Cementing Svcs					0
8306 206	Logging & Perforation Svcs				350,000	350,000
8306 207	Csq Crews & Tools-Drive Hammer					0
8306 208	Directional Tools & Svcs					0
8306 209	Formation Stimulatn Acid Frac				1,425,000	1,425,000
8306 210	Formation Evaluation					0
8306 211	Tubular Inspection					0
8306 212	Equipment Rentals				250,000	250,000
8306 213	Contract Labor & Services					0
8306 214	Wellsite Consultant				67,500	67,500
8306 215	Company Supervision & Labor					0
8306 216	Transportation				15,000	15,000
8306 217	Mud Cuttings & Water Disposal				125,000	125,000
8306 218	Insurance					0
8306 219	Overhead					0
8306 220	Water & Water Well				450,000	450,000
8306 221	Unanticipated MaiExp Fishing					0
8306 222	Coil Tubing Services				105,000	105,000
8306 223	Misc Supplies & Materials				35,000	35,000
8306 224	Flowback Testing				75,000	75,000
8306 225	Legal & Permits					0
8306 226	Environmental & Safety Costs				25,000	25,000
8306 227	Plugging					0
8306 228	Completion Rig					0
	SUBTOTAL				\$3,162,500	\$3,162,500
8306 299	CONTINGENCY (%)	3.00%			94,875	94,875
	SUB-TOTAL INTANGIBLE COMPLETION COSTS				\$3,257,375	\$3,257,375
	SUB-TOTAL INTANGIBLE COSTS			\$2,474,444	\$3,257,375	\$5,731,819

TANGIBLE DRILLING COSTS

ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8308 301	Drive Pipe Conductor Casing	\$ -	0	\$30,000		\$30,000
8308 302	Surface Casing 13-3/8"	\$ -	0	\$3,000		3,000
8308 303	Intermediate Casing 9-5/8"	\$ -	0	\$30,000		30,000
8308 304	2nd Intermediate 7-5/8" Liner Casing	\$ -	0	\$45,000		45,000
8308 305	Subs Flt Eqpt Centralizers Etc			50,000		50,000
8308 306	Casinghead Drilling Spool			\$60,000		60,000
8308 307	Sub Surface Equipment					0
8308 308	Outside Operated Other					0
	SUB-TOTAL TANGIBLE DRILLING COSTS			\$218,000		\$218,000

TANGIBLE COMPLETION COSTS						
ACCT.	DESCRIPTION	Rate	Units		COMPLETION	TOTAL WELL COST
8309 401	Production Casing 5-1/2"	\$ -	0		225,000	\$225,000
8309 402	Tubing	\$ -	0		50,000	50,000
8309 403	Subs Flt Eqpt Centralizers Etc					0
8309 404	Sub Surface Equipment				120,000	120,000
8309 405	Xmas Tree Upper Section				60,000	60,000
8309 406	Outside Operated Other					0
SUB-TOTAL TANGIBLE COMPLETION COSTS					\$455,000	\$455,000
SUB-TOTAL TANGIBLE COSTS					\$218,000	\$673,000
SUB-TOTAL INTANGIBLE & TANGIBLE COSTS					\$2,692,444	\$6,404,819

PRODUCTION EQUIPMENT COSTS						
					COMPLETION	TOTAL WELL COST
8311 501	Artificial Lift Equipment					\$0
8311 502	Prime Mover Electric Gas					0
8311 503	Sales Gathering Line					0
8311 504	Separation Equipment				59,155	0
8311 505	Oil Treating Heating Equipment				179,000	0
8311 506	Gas Treating Dehy Equipment				56,927	0
8311 507	Tanks				113,190	0
8311 508	Meters				11,514	0
8311 509	Electrical Equip Install				103,333	0
8311 510	Compressor				4,836	0
8311 511	Flowlines				48,000	0
8311 512	Labor				188,000	0
8311 513	Trucks Hauling Transportation					0
8311 514	Buildings					0
8311 515	Roads & Locations					0
8311 516	Manifolds & Headers				15,000	0
8311 517	Chemical Injection System					0
8311 518	Piping & Valves				96,667	0
8311 519	Welding					0
8311 520	Surface Pumps					0
8311 521	Filters					0
8311 522	Outside Operated Other					0
8311 523	Environmental & Safety					0
8311 524	Engineering Supervision				13,333	0
8311 525	Surface Facilities					0
SUB-TOTAL PRODUCTION EQUIPMENT					\$888,955	\$888,955
SUB-TOTAL INTANGIBLE COSTS (PAGE 1)					\$2,474,444	\$5,731,819
SUB-TOTAL TANGIBLE COSTS (PAGE 2)					\$218,000	\$673,000
GRAND TOTAL					\$2,692,444	\$7,293,775
LESS OUTSIDE INTERESTS					\$2,692,444	\$7,293,775
TOTAL NET COSTS					\$0	\$0

Notice to Nonoperator: Costs shown on this form are estimates only. Nonoperators should not consider these estimates as establishing any limit on monies which will be required to perform the proposed operation.

PREPARED BY		DATE
APPROVED		DATE
APPROVED		DATE
APPROVED		DATE

GROSS AFE AMOUNT - DRY HOLE	\$2,692,444
NET DRYHOLE AFE AMOUNT	\$0
NET ASSET TRANSFERS	\$0
CASH OUTLAY THIS AFE	\$0
PREVIOUS AFE'S ISSUED	\$0
TOTAL CASH OUTLAY	\$0

WORKING INTEREST APPROVAL

COMPANY	WORKING INTEREST	APPROVED BY	DATE

Ascent Energy, LLC

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE (AFE)

COST CENTER	Anvil Fed Com #503H	BUD YEAR	2020	DATE	June 11, 2020
AFE NO.		CATEGORY	D&C	SUPPLEMENT NO.	
FIELD	Rawhide	REGION	Delaware Basin	LEGAL:	
OPERATOR	Ascent Energy, LLC	WELL NO.	#503	W.I.	
OBJECTIVE	2nd Bone Spring	STATE	NM	MD/TVD	8750' TVD

ESTIMATED PROJECT START DATE: **1Q2021**
 DESCRIPTION: Drill to 8750ft vertical, drill curve and 2 mile lateral. 4 string design. 60 stage slickwater completion.

INTANGIBLE DRILLING COSTS

ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8305 101	Location Cleanup & Damages			\$150,000		\$150,000
8305 102	Rig Move - MIRU, RDMO			\$150,000		150,000
8305 103	Rig Contractor-Daywork/FT			\$465,000		465,000
8305 104	Rig Contractor-Turnkey					0
8305 105	Power & Fuel			\$126,480		126,480
8305 106	Drill Fluids & Chemicals			\$75,000		75,000
8305 107	Bits, Reamer, Stabilizers			\$100,000		100,000
8305 108	Cement & Cementing Services			\$115,000		115,000
8305 109	Mud Logging/Geosteering			\$37,000		37,000
8305 110	Open Hole Logging			\$0		0
8305 111	Csq Crews & Tools			\$90,000		90,000
8305 112	Directional Tools & Service			\$309,225		309,225
8305 114	Form Eval - Well Testing DST - Coring, Sampling					0
8305 115	Tubular Inspection			\$50,000		50,000
8305 116	Equipment Rentals			\$200,000		200,000
8305 117	Contract Labor & Services			\$105,000		105,000
8305 118	Wellsite Consultants			\$40,300		40,300
8305 119	Company Supervisor & Labor					0
8305 120	Transportation			\$60,000		60,000
8305 121	Mud,Cuttings & Water Disposal			\$110,000		110,000
8305 122	Insurance			\$34,368		34,368
8305 123	Overhead			\$25,000		25,000
8305 124	Water & Water Well			\$60,000		60,000
8305 125	Unanticipated MjrExp (Fishing)					0
8305 126	Legal			\$50,000		50,000
8305 127	Outside Operated Other					0
8305 128	Permits			\$30,000		30,000
8305 129	Environmental & Safety			\$20,000		20,000
8305 130	Plugging					0
	SUBTOTAL			\$2,402,373		\$2,402,373
8305 199	CONTINGENCY (%)	3.00%		72,071		72,071
	SUB-TOTAL INTANGIBLE DRILLING COSTS			\$2,474,444		\$2,474,444

INTANGIBLE COMPLETION COSTS

ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8306 201	Location & Cleanup				\$10,000	\$10,000
8306 202	Power & Fuel				150,000	150,000
8306 203	Compl Fluids & Chemicals				50,000	50,000
8306 204	Bits, Reamer, Stabilizers					0
8306 205	Cement & Cementing Svcs					0
8306 206	Logging & Perforation Svcs				350,000	350,000
8306 207	Csq Crews & Tools-Drive Hammer					0
8306 208	Directional Tools & Svcs					0
8306 209	Formation Stimulatn Acid Frac				1,425,000	1,425,000
8306 210	Formation Evaluation					0
8306 211	Tubular Inspection					0
8306 212	Equipment Rentals				250,000	250,000
8306 213	Contract Labor & Services					0
8306 214	Wellsite Consultant				67,500	67,500
8306 215	Company Supervision & Labor					0
8306 216	Transportation				15,000	15,000
8306 217	Mud Cuttings & Water Disposal				125,000	125,000
8306 218	Insurance					0
8306 219	Overhead					0
8306 220	Water & Water Well				450,000	450,000
8306 221	Unanticipated MaiExp Fishing					0
8306 222	Coil Tubing Services				105,000	105,000
8306 223	Misc Supplies & Materials				35,000	35,000
8306 224	Flowback Testing				75,000	75,000
8306 225	Legal & Permits					0
8306 226	Environmental & Safety Costs				25,000	25,000
8306 227	Plugging					0
8306 228	Completion Rig					0
	SUBTOTAL				\$3,162,500	\$3,162,500
8306 299	CONTINGENCY (%)	3.00%			94,875	94,875
	SUB-TOTAL INTANGIBLE COMPLETION COSTS				\$3,257,375	\$3,257,375
	SUB-TOTAL INTANGIBLE COSTS			\$2,474,444	\$3,257,375	\$5,731,819

TANGIBLE DRILLING COSTS

ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8308 301	Drive Pipe Conductor Casing	\$ -	0	\$30,000		\$30,000
8308 302	Surface Casing 13-3/8"	\$ -	0	\$3,000		3,000
8308 303	Intermediate Casing 9-5/8"	\$ -	0	\$30,000		30,000
8308 304	2nd Intermediate 7-5/8" Liner Casing	\$ -	0	\$45,000		45,000
8308 305	Subs Flt Eqpt Centralizers Etc			50,000		50,000
8308 306	Casinghead Drilling Spool			\$60,000		60,000
8308 307	Sub Surface Equipment					0
8308 308	Outside Operated Other					0
	SUB-TOTAL TANGIBLE DRILLING COSTS			\$218,000		\$218,000

Ascent Energy, LLC

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE (AFE)

COST CENTER Anvil Fed Com #602H	BUD YEAR 2020	DATE June 11, 2020
AFE NO.	CATEGORY D&C	SUPPLEMENT NO.
FIELD Rawhide	REGION Delaware Basin	LEGAL:
OPERATOR Ascent Energy, LLC	WELL NO. #602H	W.I.
OBJECTIVE 3rd Bone Spring	STATE NM	MD/TVD 9880' TVD

ESTIMATED PROJECT START DATE: **1Q2021**
 DESCRIPTION: Drill to 9880ft vertical, drill curve and 2 mile lateral. 4 string design. 60 Stage slickwater completion

INTANGIBLE DRILLING COSTS

ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8305 101	Location Cleanup & Damages			\$150,000		\$150,000
8305 102	Rig Move - MIRU, RDMO			\$150,000		150,000
8305 103	Rig Contractor-Daywork/FT			\$465,000		465,000
8305 104	Rig Contractor-Turnkey					0
8305 105	Power & Fuel			\$126,480		126,480
8305 106	Drill Fluids & Chemicals			\$75,000		75,000
8305 107	Bits, Reamer, Stabilizers			\$100,000		100,000
8305 108	Cement & Cementing Services			\$120,000		120,000
8305 109	Mud Logging/Geosteering			\$37,000		37,000
8305 110	Open Hole Logging			\$0		0
8305 111	Csq Crews & Tools			\$90,000		90,000
8305 112	Directional Tools & Service			\$309,225		309,225
8305 114	Form Eval - Well Testing DST - Coring, Sampling					0
8305 115	Tubular Inspection			\$50,000		50,000
8305 116	Equipment Rentals			\$200,000		200,000
8305 117	Contract Labor & Services			\$105,000		105,000
8305 118	Wellsite Consultants			\$40,300		40,300
8305 119	Company Supervisor & Labor					0
8305 120	Transportation			\$60,000		60,000
8305 121	Mud,Cuttings & Water Disposal			\$110,000		110,000
8305 122	Insurance			\$34,368		34,368
8305 123	Overhead			\$25,000		25,000
8305 124	Water & Water Well			\$60,000		60,000
8305 125	Unanticipated MjrExp (Fishing)					0
8305 126	Legal			\$50,000		50,000
8305 127	Outside Operated Other					0
8305 128	Permits			\$30,000		30,000
8305 129	Environmental & Safety			\$20,000		20,000
8305 130	Plugging					0
	SUBTOTAL			\$2,407,373		\$2,407,373
8305 199	CONTINGENCY (%) 3.00%			72,221		72,221
	SUB-TOTAL INTANGIBLE DRILLING COSTS			\$2,479,594		\$2,479,594

INTANGIBLE COMPLETION COSTS

ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8306 201	Location & Cleanup				\$10,000	\$10,000
8306 202	Power & Fuel				160,000	160,000
8306 203	Compl Fluids & Chemicals				50,000	50,000
8306 204	Bits, Reamer, Stabilizers					0
8306 205	Cement & Cementing Svcs					0
8306 206	Logging & Perforation Svcs				350,000	350,000
8306 207	Csq Crews & Tools-Drive Hammer					0
8306 208	Directional Tools & Svcs					0
8306 209	Formation Stimulatn Acid Frac				1,450,000	1,450,000
8306 210	Formation Evaluation					0
8306 211	Tubular Inspection					0
8306 212	Equipment Rentals				250,000	250,000
8306 213	Contract Labor & Services					0
8306 214	Wellsite Consultant	\$ -	0		67,500	67,500
8306 215	Company Supervision & Labor					0
8306 216	Transportation				15,000	15,000
8306 217	Mud Cuttings & Water Disposal				125,000	125,000
8306 218	Insurance					0
8306 219	Overhead					0
8306 220	Water & Water Well				450,000	450,000
8306 221	Unanticipated MaiExp Fishing					0
8306 222	Coil Tubing Services				115,000	115,000
8306 223	Misc Supplies & Materials				35,000	35,000
8306 224	Flowback Testing				75,000	75,000
8306 225	Legal & Permits					0
8306 226	Environmental & Safety Costs				25,000	25,000
8306 227	Plugging					0
8306 228	Completion Rig	\$ -	0			0
	SUBTOTAL				\$3,207,500	\$3,207,500
8306 299	CONTINGENCY (%) 3.00%				96,225	96,225
	SUB-TOTAL INTANGIBLE COMPLETION COSTS				\$3,303,725	\$3,303,725
	SUB-TOTAL INTANGIBLE COSTS				\$2,479,594	\$5,783,319

TANGIBLE DRILLING COSTS

ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8308 301	Drive Pipe Conductor Casing	\$ -	0	\$30,000		\$30,000
8308 302	Surface Casing 13-3/8"	\$ -	0	\$3,000		3,000
8308 303	Intermediate Casing 9-5/8"	\$ -	0	\$30,000		30,000
8308 304	2nd Intermediate 7-5/8" Liner Casing	\$ -	0	\$45,000		45,000
8308 305	Subs Flt Eqpt Centralizers Etc			50,000		50,000
8308 306	Casinghead Drilling Spool			\$60,000		60,000
8308 307	Sub Surface Equipment					0
8308 308	Outside Operated Other					0
	SUB-TOTAL TANGIBLE DRILLING COSTS			\$218,000		\$218,000

TANGIBLE COMPLETION COSTS						
ACCT.	DESCRIPTION	Rate	Units		COMPLETION	TOTAL WELL COST
8309 401	Production Casing 5-1/2"	\$ -	0		235,000	\$235,000
8309 402	Tubing	\$ -	0		50,000	50,000
8309 403	Subs Flt Eqpt Centralizers Etc					0
8309 404	Sub Surface Equipment				120,000	120,000
8309 405	Xmas Tree Upper Section				60,000	60,000
8309 406	Outside Operated Other					0
SUB-TOTAL TANGIBLE COMPLETION COSTS					\$465,000	\$465,000
SUB-TOTAL TANGIBLE COSTS					\$218,000	\$683,000
SUB-TOTAL INTANGIBLE & TANGIBLE COSTS					\$2,697,594	\$3,768,725

PRODUCTION EQUIPMENT COSTS						
					COMPLETION	TOTAL WELL COST
8311 501	Artificial Lift Equipment					\$0
8311 502	Prime Mover Electric Gas					0
8311 503	Sales Gathering Line					0
8311 504	Separation Equipment				59,155	0
8311 505	Oil Treating Heating Equipment				179,000	0
8311 506	Gas Treating Dehy Equipment				56,927	0
8311 507	Tanks				113,190	0
8311 508	Meters				11,514	0
8311 509	Electrical Equip Install				103,333	0
8311 510	Compressor				4,836	0
8311 511	Flowlines				48,000	0
8311 512	Labor				188,000	0
8311 513	Trucks Hauling Transportation					0
8311 514	Buildings					0
8311 515	Roads & Locations					0
8311 516	Manifolds & Headers				15,000	0
8311 517	Chemical Injection System					0
8311 518	Piping & Valves				96,667	0
8311 519	Welding					0
8311 520	Surface Pumps					0
8311 521	Filters					0
8311 522	Outside Operated Other					0
8311 523	Environmental & Safety					0
8311 524	Engineering Supervision				13,333	0
8311 525	Surface Facilities					0
SUB-TOTAL PRODUCTION EQUIPMENT					\$888,955	\$888,955
SUB-TOTAL INTANGIBLE COSTS (PAGE 1)					\$2,479,594	\$3,303,725
SUB-TOTAL TANGIBLE COSTS (PAGE 2)					\$218,000	\$683,000
GRAND TOTAL					\$2,697,594	\$4,657,680
LESS OUTSIDE INTERESTS					\$2,697,594	\$4,657,680
TOTAL NET COSTS					\$0	\$0

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PREPARED BY		DATE
APPROVED		DATE
APPROVED		DATE
APPROVED		DATE

GROSS AFE AMOUNT - DRY HOLE	\$2,697,594
NET DRYHOLE AFE AMOUNT	\$0
NET ASSET TRANSFERS	\$0
CASH OUTLAY THIS AFE	\$0
PREVIOUS AFE'S ISSUED	\$0
TOTAL CASH OUTLAY	\$0

WORKING INTEREST APPROVAL

COMPANY	WORKING INTEREST	APPROVED BY	DATE

TANGIBLE COMPLETION COSTS						
ACCT.	DESCRIPTION	Rate	Units		COMPLETION	TOTAL WELL COST
8309 401	Production Casing 5-1/2"	\$ -	0		225,000	\$225,000
8309 402	Tubing	\$ -	0		50,000	50,000
8309 403	Subs Flt Eqpt Centralizers Etc					0
8309 404	Sub Surface Equipment				120,000	120,000
8309 405	Xmas Tree Upper Section				60,000	60,000
8309 406	Outside Operated Other					0
SUB-TOTAL TANGIBLE COMPLETION COSTS					\$455,000	\$455,000
SUB-TOTAL TANGIBLE COSTS					\$218,000	\$673,000
SUB-TOTAL INTANGIBLE & TANGIBLE COSTS					\$2,692,444	\$6,404,819

PRODUCTION EQUIPMENT COSTS						
					COMPLETION	TOTAL WELL COST
8311 501	Artificial Lift Equipment					\$0
8311 502	Prime Mover Electric Gas					0
8311 503	Sales Gathering Line					0
8311 504	Separation Equipment				59,155	0
8311 505	Oil Treating Heating Equipment				179,000	0
8311 506	Gas Treating Dehy Equipment				56,927	0
8311 507	Tanks				113,190	0
8311 508	Meters				11,514	0
8311 509	Electrical Equip Install				103,333	0
8311 510	Compressor				4,836	0
8311 511	Flowlines				48,000	0
8311 512	Labor				188,000	0
8311 513	Trucks Hauling Transportation					0
8311 514	Buildings					0
8311 515	Roads & Locations					0
8311 516	Manifolds & Headers				15,000	0
8311 517	Chemical Injection System					0
8311 518	Piping & Valves				96,667	0
8311 519	Welding					0
8311 520	Surface Pumps					0
8311 521	Filters					0
8311 522	Outside Operated Other					0
8311 523	Environmental & Safety					0
8311 524	Engineering Supervision				13,333	0
8311 525	Surface Facilities					0
SUB-TOTAL PRODUCTION EQUIPMENT					\$888,955	\$888,955
SUB-TOTAL INTANGIBLE COSTS (PAGE 1)					\$2,474,444	\$5,731,819
SUB-TOTAL TANGIBLE COSTS (PAGE 2)					\$218,000	\$673,000
GRAND TOTAL					\$2,692,444	\$7,293,775
LESS OUTSIDE INTERESTS					\$2,692,444	\$7,293,775
TOTAL NET COSTS					\$0	\$0

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PREPARED BY		DATE
APPROVED		DATE
APPROVED		DATE
APPROVED		DATE

GROSS AFE AMOUNT - DRY HOLE	\$2,692,444
NET DRYHOLE AFE AMOUNT	\$0
NET ASSET TRANSFERS	\$0
CASH OUTLAY THIS AFE	\$0
PREVIOUS AFE'S ISSUED	\$0
TOTAL CASH OUTLAY	\$0

WORKING INTEREST APPROVAL

COMPANY	WORKING INTEREST	APPROVED BY	DATE

Ascent Energy, LLC

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE (AFE)

COST CENTER	Anvil Fed Com #703H	BUD YEAR	2020	DATE	June 11, 2020
AFE NO.		CATEGORY	D&C	SUPPLEMENT NO.	
FIELD	Rawhide	REGION	Delaware Basin	LEGAL:	
OPERATOR	Ascent Energy, LLC	WELL NO.	#703H	W.I.	
OBJECTIVE	Wolfcamp X	STATE	NM	MD/TVD	10,100' TVD

ESTIMATED PROJECT START DATE: **1Q2021**
 DESCRIPTION: Drill to 10,100ft vertical, drill curve, OH log, and drill 2 mile lateral. 5 string design.60 stage slickwater completion.

INTANGIBLE DRILLING COSTS						
ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8305 101	Location Cleanup & Damages			\$150,000		\$150,000
8305 102	Rig Move - MIRU, RDMO			\$150,000		150,000
8305 103	Rig Contractor-Daywork/FT			\$495,000		495,000
8305 104	Rig Contractor-Turnkey					0
8305 105	Power & Fuel			\$134,640		134,640
8305 106	Drill Fluids & Chemicals			\$75,000		75,000
8305 107	Bits, Reamer, Stabilizers			\$115,000		115,000
8305 108	Cement & Cementing Services			\$150,000		150,000
8305 109	Mud Logging/Geosteering			\$50,000		50,000
8305 110	Open Hole Logging			\$65,000		65,000
8305 111	Csq Crews & Tools			\$90,000		90,000
8305 112	Directional Tools & Service			\$329,175		329,175
8305 114	Form Eval - Well Testing DST - Coring, Sampling					0
8305 115	Tubular Inspection			\$50,000		50,000
8305 116	Equipment Rentals			\$200,000		200,000
8305 117	Contract Labor & Services			\$105,000		105,000
8305 118	Wellsite Consultants			\$42,900		42,900
8305 119	Company Supervisor & Labor					0
8305 120	Transportation			\$60,000		60,000
8305 121	Mud,Cuttings & Water Disposal			\$125,000		125,000
8305 122	Insurance			\$34,368		34,368
8305 123	Overhead			\$25,000		25,000
8305 124	Water & Water Well			\$60,000		60,000
8305 125	Unanticipated MjrExp (Fishing)					0
8305 126	Legal			\$50,000		50,000
8305 127	Outside Operated Other					0
8305 128	Permits			\$30,000		30,000
8305 129	Environmental & Safety			\$20,000		20,000
8305 130	Plugging					0
	SUBTOTAL			\$2,606,083		\$2,606,083
8305 199	CONTINGENCY (%)	3.00%		78,182		78,182
	SUB-TOTAL INTANGIBLE DRILLING COSTS			\$2,684,265		\$2,684,265

INTANGIBLE COMPLETION COSTS						
ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8306 201	Location & Cleanup				\$10,000	\$10,000
8306 202	Power & Fuel				160,000	160,000
8306 203	Compl Fluids & Chemicals				50,000	50,000
8306 204	Bits, Reamer, Stabilizers					0
8306 205	Cement & Cementing Svcs					0
8306 206	Logging & Perforation Svcs				350,000	350,000
8306 207	Csq Crews & Tools-Drive Hammer					0
8306 208	Directional Tools & Svcs					0
8306 209	Formation Stimulatn Acid Frac				1,500,000	1,500,000
8306 210	Formation Evaluation					0
8306 211	Tubular Inspection					0
8306 212	Equipment Rentals				250,000	250,000
8306 213	Contract Labor & Services					0
8306 214	Wellsite Consultant	\$ -	0		67,500	67,500
8306 215	Company Supervision & Labor					0
8306 216	Transportation				15,000	15,000
8306 217	Mud Cuttings & Water Disposal				125,000	125,000
8306 218	Insurance					0
8306 219	Overhead					0
8306 220	Water & Water Well				450,000	450,000
8306 221	Unanticipated MajExp Fishing					0
8306 222	Coil Tubing Services				115,000	115,000
8306 223	Misc Supplies & Materials				35,000	35,000
8306 224	Flowback Testing				75,000	75,000
8306 225	Legal & Permits					0
8306 226	Environmental & Safety Costs				25,000	25,000
8306 227	Plugging					0
8306 228	Completion Rig	\$ -	0			0
	SUBTOTAL				\$3,257,500	\$3,257,500
8306 299	CONTINGENCY (%)	3.00%			97,725	97,725
	SUB-TOTAL INTANGIBLE COMPLETION COSTS				\$3,355,225	\$3,355,225
	SUB-TOTAL INTANGIBLE COSTS			\$2,684,265	\$3,355,225	\$6,039,490

TANGIBLE DRILLING COSTS						
ACCT.	DESCRIPTION	Rate	Units	DRYHOLE	COMPLETION	TOTAL WELL COST
8308 301	Drive Pipe Conductor Casing	\$ -	0	\$40,000		\$40,000
8308 302	Surface Casing 20"	\$ -	0	\$10,000		\$10,000
8308 303	Intermediate Casing 13-3/8"	\$ -	0	\$30,000		\$30,000
8308 304	2nd Intermediate 9-5/8" & 7-5/8"	\$ -	0	\$190,000		\$190,000
8308 305	Subs Flt Eqp Centralizers Etc			70,000		70,000
8308 306	Casinghead Drilling Spool			\$110,000		\$110,000
8308 307	Sub Surface Equipment					0
8308 308	Outside Operated Other					0
	SUB-TOTAL TANGIBLE DRILLING COSTS			\$450,000		\$450,000

TANGIBLE COMPLETION COSTS						
ACCT.	DESCRIPTION	Rate	Units		COMPLETION	TOTAL WELL COST
8309 401	Production Casing 5-1/2"	\$ -	0		245,000	\$245,000
8309 402	Tubing	\$ -	0		50,000	50,000
8309 403	Subs Flt Eqpt Centralizers Etc					0
8309 404	Sub Surface Equipment				120,000	120,000
8309 405	Xmas Tree Upper Section				60,000	60,000
8309 406	Outside Operated Other					0
SUB-TOTAL TANGIBLE COMPLETION COSTS					\$475,000	\$475,000
SUB-TOTAL TANGIBLE COSTS					\$450,000	\$925,000
SUB-TOTAL INTANGIBLE & TANGIBLE COSTS					\$3,134,265	\$6,964,490

PRODUCTION EQUIPMENT COSTS						
					COMPLETION	TOTAL WELL COST
8311 501	Artificial Lift Equipment					\$0
8311 502	Prime Mover Electric Gas					0
8311 503	Sales Gathering Line					0
8311 504	Separation Equipment				59,155	0
8311 505	Oil Treating Heating Equipment				179,000	0
8311 506	Gas Treating Dehy Equipment				56,927	0
8311 507	Tanks				113,190	0
8311 508	Meters				11,514	0
8311 509	Electrical Equip Install				103,333	0
8311 510	Compressor				4,836	0
8311 511	Flowlines				48,000	0
8311 512	Labor				188,000	0
8311 513	Trucks Hauling Transportation					0
8311 514	Buildings					0
8311 515	Roads & Locations					0
8311 516	Manifolds & Headers				15,000	0
8311 517	Chemical Injection System					0
8311 518	Piping & Valves				96,667	0
8311 519	Welding					0
8311 520	Surface Pumps					0
8311 521	Filters					0
8311 522	Outside Operated Other					0
8311 523	Environmental & Safety					0
8311 524	Engineering Supervision				13,333	0
8311 525	Surface Facilities					0
SUB-TOTAL PRODUCTION EQUIPMENT					\$888,955	\$888,955
SUB-TOTAL INTANGIBLE COSTS (PAGE 1)					\$2,684,265	\$6,039,490
SUB-TOTAL TANGIBLE COSTS (PAGE 2)					\$450,000	\$925,000
GRAND TOTAL					\$3,134,265	\$7,853,446
LESS OUTSIDE INTERESTS					\$3,134,265	\$7,853,446
TOTAL NET COSTS					\$0	\$0

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APPROVED		DATE
APPROVED		DATE

GROSS AFE AMOUNT - DRY HOLE	\$3,134,265
NET DRYHOLE AFE AMOUNT	\$0
NET ASSET TRANSFERS	\$0
CASH OUTLAY THIS AFE	\$0
PREVIOUS AFE'S ISSUED	\$0
TOTAL CASH OUTLAY	\$0

WORKING INTEREST APPROVAL

COMPANY	WORKING INTEREST	APPROVED BY	DATE