# **CIMAREX ENERGY CO.'S EXHIBIT LIST**

(PARTIT)

APPLICATIONS OF CIMAREX ENERGY CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

APPLICATIONS OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case Nos. 22519 and 22520

Case Nos. 22343 and 22344

# EXHIBITS OF CIMAREX ENERGY CO.

- A-1. Application and Proposed Notice (Case No. 22519)
- A-2. Application and Proposed Notice (Case No. 22520)
- B. Landman's Affidavit
- C. Geologist's Affidavit
- D. Engineers's Affidavit
- E-1. Affidavit of Publication (Case No, 22519)
- E-2. Affidavit of Publication (Case No, 22520)
- F-1: Certified Affidavit (Case No, 22519)
- F-2: Certified Affidavit (Case No, 22520)
- G-1. Pooling Checklist (Case No, 22519)
- G-2. Pooling Checklist (Case No, 22520)

Company Entity Date Prepared 10/14/2021 **Exploration Region** Well Name Property Number AFE Prospect Permian Basin WHITE CITY 8-17-20 FED COM 4H Lea Prospect 300001-203.01 26822018 Estimated Spud Estimated Completion County, State Location Eddy, NM E2W2 Sections 8, 17 and 20, Township 25 South, Range 27 East, 7/13/2022 Eddy County, NM X New Well Type Ttl Measured Depth Ttl Vetical Depth Formation Supplement DEV 25,000 8,920 Wolfcamp Revision Purpose Drill and complete well

Description

Drilling 3 mile lateral targeting the WCA

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,322,000		\$2,322,000
Completion Costs		\$6,515,600	\$6,515,600
Total Intangible Cost	\$2,322,000	\$6,515,600	\$8,837,600
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$406,000	\$612,000	\$1,018,000
Lease Equipment		\$1,138,125	\$1,138,125
Total Tangible Cost	\$406,000	\$1,750,125	\$2,156,125
Total Well Cost	\$2,728,000	\$8,265,725	\$10,993,725

### Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

### Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

### Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

# Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well

Company	Approved By (Print Name)	Approved By (Signature)	Date
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NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

10/14/2021



Received by OCD: 3/16/2022 10:49:32 AM

CIMAREX

Authorization For Expenditure - WHITE CITY 8-17-20 FED COM

		Drilling		- Drilling		p/Stim		ion Equip	Post Con	***************************************	Total
Description	Codes	Amount	Codes	Amount		Amount	Codes	Amount	Codes	Amount	Cos
Roads & Location	DIDC.100	150,000			STIM.100	10,000	CON.100	50,500	PCOM.100	7,000	217,500
Damages	DIDC.105	30,000					CON.105	3,000			33,000
Mud/Fluids Disposal	DIDC.255	67,000			STIM.255	80,000			PCOM.255	0	147,000
Day Rate	DIDC.115	387,000	DICC.120	90,000							477,000
Misc Preparation	DIDC.120	20,000		50,000							20,000
Bits	DIDC.125	90,000	DICC.125	0	STIM.125	0			PCOM.125	0	90,000
	DIDC.135				311101.123	. 0			PCOM.130		
Fuel		46,000	DICC.130	0						0	46,000
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC.135	0	STIM.135	31,000			PCOM.135	0	36,000
Mud & Additives	DIDC.145	200,000									200,000
SWD PIPED TO 3RD PARTY SWD WELL									PCOM.257	177,600	177,600
Surface Rentals	DIDC.150	104,000	DICC.140	0	STIM.140	175,000	CON.140	2,875	PCOM.140	60,000	341,875
Downhole Rentals	DIDC.155	79,000			STIM.145	70,000			PCOM.145	0	149,000
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,000
Automation Labor						0	CON.150	59,375			
IPC & EXTERNAL PAINTING									PCOW.130	9,500	68,875
							CON.165	21,375			21,375
Cementing & Float Equipment	DIDC.185	110,000	DICC.155	85,000							195,000
Tubular Inspections	DIDC.190	63,000	DICC.160	5,000	STIM.160	4,000			PCOM.160	0	72,000
Casing Crews	DIDC.195	10,000	DICC.165	20,000	STIM.165	0					30,000
Mechanical Labor	DIDC.200	28,000	DICC.170	10,000	STIM.170	0	CON.170	270,375	PCOM.170	0	308,375
Trucking/Transportation	DIDC.205	18,000	DICC.175	8,000	STIM.175	4,000	CON.175	29,875	PCOM.175	0	59,875
Supervision	DIDC.210	75,000	DICC.180	14,000	STIM.180	58,000	CON.180	29,625	PCOM.180	0	176,625
Trailer House/Camp/Catering	DIDC.280						2014.100	29,025	, COW. 100	U	
		43,000	DICC.255	7,000	STIM.280	30,000	covices		Deat :		80,000
Other Misc Expenses	DIDC.220	5,000	DICC.190	0	STIM.190	77,000	CON.190	37,750	PCOM.190	0	119,750
Overhead	DIDC.225	10,000	DICC.195	5,000							15,000
MOB/DEMOB	DIDC.240	100,000									100,000
Directional Drilling Services	DIDC.245	431,000									431,000
Solids Control	DIDC.260	50,000									50,000
Well Control Equip (Snubbing Services)	DIDC.265	86,000	DICC.240	5,000	STIM.240	83,000			PCOM.240	0	174,000
Completion Rig	0,000,000	80,000	Dice.e.io	3,000	STIM.115				PCOM.115	0	
					STIM.260	21,000					21,000
Coil Tubing Services						250,000			PCOM.260	0	250,000
Completion Logging/Perforating/Wireline					STIM.200	346,000			PCOM.200	0	346,000
Composite Plugs					STIM.390	63,000			PCOM.390	0	63,000
Stimulation Pumping/Chemicals/Additives/Sand					STIM.210	3,162,000			PCOM.210	10,000	3,172,000
Stimulation Water/Water Transfer/Water Storage					STIM.395	358,000					358,000
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	72,500	132,500
Legal/Regulatory/Curative	DIDC.300	10,000				00,000	CON.300	0		12,500	10,000
Well Control Insurance	DIDC.285						CO14.300	U			
	DIDC.263	8,000									8,000
FL/GL - ON PAD LABOR							CON.495	19,500			19,500
FL/GL - Labor							CON.500	39,125			39,125
FL/GL - Supervision							CON.505	23,625			23,625
Survey							CON.515	2,750			2,750
Contingency	DIDC.435	97,000	DICC.220	12,000	STIM.220	244,000	CON.220	159,750	PCOM.220	0	512,750
Contingency							CON.221	12,500		matter and a	12,500
Total Intangible Cost		2,322,000		361,000		E 126 000	CONTENT			200,000	8,837,600
				261,000	ļ	5,126,000		762,000		366,600	
Conductor Pipe	DWEB.130	7,000									7,000
Water String	DWEB.135	16,000									16,000
Surface Casing	DWEB.140	38,000									38,000
Intermediate Casing 1	DWEB.145	307,000									307,000
Production Casing or Liner			DWEA.100	395,000							395,000
Tubing					STIMT.105	43,000			PCOMT.105	0	43,000
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT.120	10,000	104,000
Packer, Nipples	21120,113	30,000	J	10,000	STIMT.400				PCOMT.120		
					3 HW1.400	28,000	CONTRACT		FCOW1.400	0	28,000
PUMPS							CONT.385	27,625			27,625
WALKOVERS							CONT.390	15,000			15,000
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,000
N/C Lease Equipment							CONT.400	217,750			217,750
Tanks, Tanks Steps, Stairs							CONT.405	103,000			103,000
Battery Equipment							CONT.410	355,375			355,375
Secondary Containments							CONT.415				
Overhead Power Distribution								51,875			51,875
							CONT.420	85,625			85,625
Facility Electrical							CONT.425	78,125			78,125
Telecommunication Equipment							CONT.426	1,250			1,250
Meters and Metering Equipment							CONT.445	37,125			37,125
Facility Line Pipe							CONT.450	45,500			45,500
Lease Automation Materials							CONT.455	78,125			78,125
FL/GL - Materials							CONT.550				
FL/GL - Line Pipe							CONT.555	8,625			8,625
							CON 1.555	33,125			33,125
Total Tangible Cos		406,000		413,000		189,000		1,138,125		10,000	2,156,125
Total Estimated Cost		2,728,000		674,000		5,315,000		1,900,125		376,600	10,993,725

		BCP - Drilling			ACP - Drilling			Comp/Stim	
Description	Codes		Amount	Codes		Amount	Codes		Amou
Roads & Location	DIDC.100		150,000				STIM.100	CON.100	10,0
Damages	DIDC.105		30,000						
							STIM.255		80,0
Mud/Fluids Disposal	DIDC.255		67,000			00.000	3 (1141.633		00,0
Day Rate	DIDC.115	DICC.120	387,000	DICC.120		90,000			
Misc Preparation	DIDC.120		20,000						
Bits	DIDC.125	DICC.125	90,000	DICC.125	STIM.125	0	STIM.125		
Fuel	DIDC.135	DICC.130	46,000	DICC.130		0			
Water for Drilling Rig (Not Frac Water)	DIDC.140	DICC.135	5,000		STIM.135	0	STIM.135		31,0
		DICC. 133		Dicc.iss		U			5.76
Mud & Additives	DIDC.145		200,000						
SWD PIPED TO 3RD PARTY SWD WELL									
Surface Rentals	DIDC.150	DICC.140	104,000	DICC.140	STIM.140	0	STIM.140	CON.140	175,0
Downhole Rentals	DIDC.155		79,000				STIM.145		70,0
Flowback Labor							STIM.141		
Automation Labor									
IPC & EXTERNAL PAINTING									
	- 11								
Cementing & Float Equipment	DIDC.185	DICC.155	110,000	DICC.155		85,000			
Tubular Inspections	DIDC.190	DICC.160	63,000	DICC.160	STIM.160	5,000	STIM.160		4,0
Casing Crews	DIDC.195	DICC.165	10,000	DICC.165	STIM.165	20,000	STIM.165		
Mechanical Labor	DIDC.200	DICC.170	28,000		STIM.170	10,000	STIM.170	CON.170	
Trucking/Transportation	DIDC.205	DICC.175	18,000		STIM.175	8,000	STIM.175	CON.175	4,0
		DICC.180		DICC.180	STIM.180		STIM.180	CON.180	58,0
Supervision			75,000			14,000		C314.100	
Trailer House/Camp/Catering		DICC.255	43,000		STIM.280	7,000	STIM.280		30,0
Other Misc Expenses	DIDC.220	DICC.190	5,000	DICC.190	STIM.190	0	STIM.190	CON.190	77,0
Overhead	DIDC.225	DICC.195	10,000	DICC.195		5,000			
MOB/DEMOB	DIDC.240		100,000						
Directional Drilling Services	DIDC.245		431,000						
Solids Control	DIDC.260								
			50,000			4 0 0			
Well Control Equip (Snubbing Services)	DIDC.265	DICC.240	86,000	DICC.240	STIM.240	5,000	STIM.240		83,0
Completion Rig							STIM.115		21,0
Coil Tubing Services							STIM.260		250,0
Completion Logging/Perforating/Wireline							STIM.200		346,0
Composite Plugs							STIM.390		63,0
Stimulation							STIM.210		3,162,0
Stimulation Water/Water Transfer/Water							STIM.395		358,0
Cimarex Owned Frac/Rental Equipment							STIM.305		60,0
Legal/Regulatory/Curative	DIDC.300		10,000						
Well Control Insurance	DIDC.285		8,000						
FL/GL - ON PAD LABOR			1						
FL/GL - Labor									
FL/GL - Supervision									
Survey									
Contingency	DIDC.435	DICC.220	97,000	DICC.220	STIM.220	12,000	STIM.220	CON.220	244,0
Contingency									
Total Intangible Cost			2,322.000			261,000			5,126,0
Conductor Pipe	DWEB.130				01111111111111111111111111111111111111	201,000		DA) DE ELEMPONINY EL PARTADS EN LEUE SONE DE DIVIDIO DE LA COMPONINCIA DEL COMPONINCIA DE LA COMPONINCIA DEL COMPONINCIA DE LA COMPONINCIA	3,120,0
			7,000						
Water String	DWEB.135		16,000						
Surface Casing	DWEB.140		38,000						
Intermediate Casing 1	DWEB.145		307,000						
Production Casing or Liner				DWEA.100		395,000			
Tubing							STIMT.105		43,0
Wellhead, Tree, Chokes	DWER 115	DWEA.120	38,000	DWEA.120	STIMT 120	19,000	STIMT.120		
	J. 1120.113		38,000	JVVLM. 120	J1114(1.120	18,000			38,0
Packer, Nipples							STIMT.400		28,0
PUMPS									
WALKOVERS									
Downhole Lift Equipment							STIMT.410		80,0
N/C Lease Equipment									55,0
Fanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
acility Electrical									
Felecommunication Equipment									
Meters and Metering Equipment									
acility Line Pipe									
ease Automation Materials									
L/GL - Materials									
FL/GL - Line Pipe									
			406,000						189,0
Total Tangible Cos						413,000			

Post Completion **Production Equip** Description Roads & Location CON.100 50,500 PCOM.100 Road Repair 7,000 217.500 CON.105 33.000 Damages 147.000 Mud/Fluids Disposal PCOM.255 Day Rate 477.000 20.000 Misc Prepa PCOM.125 90.000 Fuel PCOM.130 0 46.000 Water for Drilling Rig (Not Frac Water) PCOM.135 0 36.000 200,000 Mud & Additives PCOM.257 4000 BWPD for 2 months to BBR @ \$0.74/bbl 177,600 177,600 SWD PIPED TO 3RD PARTY SWD WELL PCOM.140 \$1,500/d for 40 days 60.000 341.875 Surface Rentals CON 140 2,875 PCOM.145 149,000 Downhole Rentals PCOM.141 \$2,000/d for 15 days 30.000 30,000 Flowback Labor 68,875 PCOM.150 Sand Separator Hookup 9.500 Automation Labor CON 150 59 375 21,375 IPC & EXTERNAL PAINTING CON.165 21,375 195,000 Cementing & Float Equipment 72,000 PCOM.160 Tubular Inspections 30,000 Casing Crews PCOM.170 308,375 CON.170 270.375 Mechanical Labor PCOM.175 59,875 CON.175 Trucking/Transportation 29.875 176,625 CON.180 PCOM.180 Supervision 29.625 80,000 Trailer House/Camp/Catering 119,750 Other Misc Expenses PCOM.190 CON.190 37,750 15,000 MOB/DEMOB 100,000 Directional Drilling Services 431,000 Solids Control 50,000 Well Control Equip (Snubbing Services) PCOM 240 174,000 Completion Rig PCOM.115 21,000 Coil Tubing Services PCOM.260 250,000 Completion Logging/Perforating/Wireline PCOM.200 0 346,000 Composite Plugs PCOM 390 63,000 Stimulation Pumping/Chemicals/Additives/Sand PCOM.210 Initial Chem Install 10,000 3.172.000 Stimulation Water/Water Transfer/Water Storage 358,000 Cimarex Owned Frac/Rental Equipment PCOM.305 XEC Owned Spherical Plus Iron 72,500 132,500 Legal/Regulatory/Curative CON 300 10.000 Well Control Insurance 8.000 FL/GL - ON PAD LABOR CON.495 19.500 19,500 CON.500 39.125 FL/GL - Labor 39,125 FL/GL - Supervision CON 505 23,625 23 625 CON.515 2.750 Survey 2,750 Contingency CON.220 PCOM.220 512,750 159 750 Contingency CON.221 12,500 12.500 Total Intangible Cos 366,600 8,837,600 762,000 Conductor Pipe 7.000 Water String 16,000 Surface Casing 38,000 Intermediate Casing 1 307,000 Production Casing or Lines 395,000 Tubing 43,000 Wellhead, Tree, Chokes PCOMT.120 Welded Hairpin 10,000 104,000 Packer, Nipples PCOMT.400 28,000 PLIMPS CONT.385 27,625 27,625 WALKOVERS CONT.390 15,000 15,000 Downhole Lift Equipment PCOMT.410 80,000 N/C Lease Equipment CONT 400 217,750 217,750 Tanks, Tanks Steps, Stairs CONT.405 103,000 103,000 Battery Equipment CONT.410 355,375 355,375 Secondary Containments CONT 415 51,875 51,875 Overhead Power Distribution CONT.420 85,625 85,625 Facility Electrical CONT.425 78,125 78,125 Telecommunication Equipment CONT.426 1.250 1.250 Meters and Metering Equipment CONT.445 37.125 37.125 Facility Line Pipe CONT.450 45,500 45,500 Lease Automation Materials CONT.455 78.125 78.125 FL/GL - Materials CONT.550 8,625 8,625 FL/GL - Line Pipe CONT.555 33,125 33,125 Total Tangible Co **Total Estimated Cost** 376,600 10,993,725 1,900,125

COMPANY Entity

-

Date Prepared

				10/14/2021
Exploration Region Permian Basin	Well Name WHITE CITY 8-17-20 FED COM 5H	Prospect  Carlsbad Bone Spring Prospect	Property Number 300001-207.01	AFE 26822019
County, State Eddy, NM	Location Middle Point of the W2 Sections 8, South, Range 27 East, Eddy County,	Land to the second seco	Estimated Spud 9/7/2022	Estimated Completion
X New Supplement Revision	Formation 9 Wolfcamp	Well Type T <b>DEV</b>	tl Measured Depth 25,200	Ttl Vetical Depth 9,120
Purpose <b>Drill and c</b>	omplete well			

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,486,000		\$2,486,000
Completion Costs		\$6,680,600	\$6,680,600
Total Intangible Cost	\$2,486,000	\$6,680,600	\$9,166,600
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$406,000	\$612,000	\$1,018,000
Lease Equipment		\$1,251,938	\$1,251,938
Total Tangible Cost	\$406,000	\$1,863,938	\$2,269,938
Total Well Cost	\$2,892,000	\$8,544,538	\$11,436,538

### Comments On Well Costs

Drilling Drill 3-mile lower WCA

### Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

### Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

l ele	ect to	take	my	gas	in l	kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

### Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Company	Approved By (Print Name)	Approved By (Signature)	Date
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NOTICE TO NONOPERATOR: Costs shown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

10/14/2021

<sup>1.</sup> All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Received by OCD: 3/16/2022 10:49:32 AM

CIVIAREX

Authorization For Expenditure - WHITE CITY 8-17-20 FED COM

AFE # 26822019

		Drilling		Drilling		o/Stim		ion Equip	Post Con		Total
Description	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount		Amount	Co
Roads & Location	DIDC.100	150,000			STIM.100	10,000	CON.100	55,550	PCOM.100	7,000	222,55
Damages	DIDC.105	30,000					CON.105	3,300			33,30
Mud/Fluids Disposal	DIDC.255	67,000			STIM.255	80,000			PCOM.255	0	147,00
Day Rate	DIDC.115	417,000	DICC.120	90,000							507,00
Misc Preparation	DIDC 120		Diedited	30,000							20,00
		20,000							Decet 4 4 2 5		
Bits	DIDC.125	90,000	DICC.125	0	STIM.125	0			PCOM.125	0	90,00
Fuel	DIDC.135	48,000	DICC.130	0					PCOM.130	0	48,000
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC.135	0	STIM.135	31,000			PCOM.135	0	36,000
Mud & Additives	DIDC.145	200,000									200,000
SWD PIPED TO 3RD PARTY SWD WELL		200,000							PCOM.257	266,400	266,400
	DIDC.150	400 000	DICC.140		CT114 140	175.000	CON 140	2 162	PCOM.140		
Surface Rentals		109,000	DICC.140	0	STIM.140	175,000	CON.140	3,163		60,000	347,163
Downhole Rentals	DIDC.155	80,000			STIM.145	70,000			PCOM.145	0	150,000
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,000
Automation Labor							CON.150	65,313	PCOM.150	9,500	74,81
PC & EXTERNAL PAINTING							CON.165	23,513			23,513
Cementing & Float Equipment	DIDC.185	110,000	DICC.155	95,000				25,515			195,000
				85,000	CT0 1 450				05014450		
Tubular Inspections	DIDC.190	63,000	DICC.160	5,000	STIM.160	4,000			PCOM.160	0	72,000
Casing Crews	DIDC.195	10,000	DICC.165	20,000	STIM.165	0					30,000
Mechanical Labor	DIDC.200	28,000	DICC.170	10,000	STIM.170	0	CON.170	297,413	PCOM.170	0	335,413
Trucking/Transportation	DIDC.205	18,000	DICC.175	8,000	STIM.175	4,000	CON.175	32,863	PCOM.175	0	62,863
Supervision	DIDC.210	80,000	DICC.180	14,000	STIM.180	58,000	CON.180	32,588	PCOM.180	0	184,588
	DIDC.280						20.4.100	32,300		U	
Trailer House/Camp/Catering		46,000	DICC.255	7,000	STIM.280	30,000	cotton		DCOLLING		83,000
Other Misc Expenses	DIDC.220	5,000	DICC.190	0	STIM.190	77,000	CON.190	41,525	PCOM.190	0	123,525
Overhead	DIDC.225	10,000	DICC.195	5,000							15,000
MOB/DEMOB	DIDC.240	100,000									100,000
Directional Drilling Services	DIDC.245	533,000									533,000
Solids Control	DIDC.260	53,000									53,000
			DICC 240	5,000	CTIMA DAD	02.000			PCOM.240	0	
Well Control Equip (Snubbing Services)	DIDC.265	92,000	DICC.240	5,000	STIM.240	83,000				0	180,000
Completion Rig					STIM.115	21,000			PCOM.115	0	21,000
Coil Tubing Services					STIM.260	250,000			PCOM.260	0	250,000
Completion Logging/Perforating/Wireline					STIM.200	346,000			PCOM.200	0	346,000
Composite Plugs					STIM.390	63,000			PCOM.390	0	63,000
Stimulation Pumping/Chemicals/Additives/Sand					STIM.210	3,162,000			PCOM.210	10,000	3,172,000
Stimulation Water/Water Transfer/Water Storage					STIM.395					10,000	358,000
						358,000				Contract of the Contract of th	
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	72,500	132,500
Legal/Regulatory/Curative	DIDC.300	10,000					CON.300	0			10,000
Well Control Insurance	DIDC.285	8,000									8,000
FL/GL - ON PAD LABOR							CON.495	21,450			21,450
FL/GL - Labor							CON.500	43,038			43,038
FL/GL - Supervision							CON.505			SIGNAL MATERIAL	
								25,988			25,988
Survey							CON.515	3,025		- I	3,025
Contingency	DIDC.435	104,000	DICC.220	12,000	STIM.220	244,000	CON.220	175,725	PCOM.220	0	535,725
Contingency							CON.221	13,750			13,750
Total Intangible Cost		2,486,000		261,000		5,126,000		838,200		455,400	9,166,600
Conductor Pipe	DWEB.130	7,000	and the second second	20,000	Particular Commence of the Com	271207000			heat and the participation of		7,000
Water String	DWEB.135										
		16,000									16,000
Surface Casing	DWEB.140	38,000									38,000
Intermediate Casing 1	DWEB.145	307,000									307,000
Production Casing or Liner			DWEA.100	395,000						-	395,000
Tubing					STIMT.105	43,000			PCOMT.105	0	43,000
Wellhead, Tree, Chokes	DWEB.115	29,000	DWEA.120	10,000	STIMT.120				PCOMT.120	10,000	
	D44F0.112	38,000	JVVEM.120	18,000		38,000					104,000
Packer, Nipples					STIMT.400	28,000			PCOMT.400	0	28,000
PUMPS							CONT.385	30,388			30,388
WALKOVERS							CONT.390	16,500		1	16,500
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,000
N/C Lease Equipment						50,000	CONT.400	239,525		-	239,525
Tanks, Tanks Steps, Stairs											
							CONT.405	113,300			113,300
Battery Equipment							CONT.410	390,913			390,913
Secondary Containments							CONT.415	57,063			57,063
Overhead Power Distribution							CONT.420	94,188			94,188
Facility Electrical							CONT.425	85,938			85,938
Telecommunication Equipment											
							CONT.426	1,375			1,375
Meters and Metering Equipment							CONT.445	40,838			40,83
Facility Line Pipe							CONT.450	50,050			50,050
Lease Automation Materials							CONT.455	85,938			85,938
FL/GL - Materials							CONT.550	9,488			9,488
							CONT.555				
							CON 1.555	36,438		-	36,438
FL/GL - Line Pipe Total Tangible Cos		406,000		413,000		189,000		1,251,938		10,000	2,269,938

Comp/Stim BCP - Drilling ACP - Drilling Amount Description Codes Amount STIM.100 CON.100 DIDC.100 150,000 10,000 Roads & Location DIDC.105 30,000 Damages Mud/Fluids Disposal DIDC.255 67,000 STIM.255 80,000 Day Rate DIDC.115 DICC.120 417,000 DICC.120 90,000 Misc Prepar DIDC.120 20,000 DIDC.125 DICC.125 90,000 DICC.125 STIM.125 STIM.125 Fuel DIDC.135 DICC.130 48,000 DICC.130 0 Water for Drilling Rig (Not Frac Water) DIDC.140 DICC.135 5,000 DICC.135 STIM.135 0 STIM.135 31,000 Mud & Additives DIDC.145 200,000 SWD PIPED TO 3RD PARTY SWD WELL 0 STIM.140 CON.140 DIDC 150 DICC 140 109,000 DICC.140 STIM.140 175,000 Surface Rentals STIM.145 70,000 Downhole Rentals DIDC.155 80,000 STIM.141 Flowback Labor 0 Automation Labor IPC & EXTERNAL PAINTING DIDC.185 DICC.155 110 000 DICC.155 Cementing & Float Equipment 85.000 63,000 DICC.160 STIM.160 5,000 STIM.160 Tubular Inspections DIDC.190 DICC.160 4.000 10.000 DICC.165 STIM.165 STIM.165 DIDC.195 DICC.165 Casing Crews 20.000 0 DIDC.200 DICC.170 28,000 DICC.170 STIM.170 STIM.170 Mechanical Labor 10.000 0 18.000 DICC.175 STIM.175 STIM.175 CON.175 4,000 Trucking/Transportation DIDC.205 DICC.175 8.000 DIDC.210 DICC.180 80,000 DICC.180 STIM.180 STIM.180 CON.180 58,000 Supervision 14,000 DIDC.280 DICC.255 46,000 DICC.255 STIM.280 STIM.280 30,000 Trailer House/Camp/Catering 7.000 Other Misc Expenses DIDC.220 DICC.190 5,000 DICC.190 STIM.190 STIM.190 77,000 0 DIDC.225 DICC.195 10,000 DICC.195 5,000 Overhead DIDC.240 MOB/DEMOB 100.000 DIDC.245 Directional Drilling Services 533,000 DIDC.260 53,000 Well Control Equip (Snubbing Services) DIDC.265 DICC.240 92,000 DICC.240 STIM.240 STIM.240 5,000 Completion Rig STIM.115 21,000 Coil Tubing Services STIM.260 250,000 Completion Logging/Perforating/Wireline STIM.200 346,000 Composite Plugs STIM.390 63,000 Stimulation STIM.210 3,162,000 Stimulation Water/Water Transfer/Water STIM.395 358,000 Cimarex Owned Frac/Rental Equipment STIM.305 60,000 Legal/Regulatory/Curative DIDC 300 Well Control Insurance DIDC.285 8,000 FL/GL - ON PAD LABOR FL/GL - Labor FL/GL - Supervision Survey Contingency DIDC.435 DICC.220 104,000 DICC.220 STIM.220 STIM.220 CON.220 244,000 Contingency Total Intangible Cost 2.486.000 261,000 5,126,000 DWEB.130 7,000 Water String DWEB.135 16,000 Surface Casing DWEB.140 38,000 Intermediate Casing 1 DWEB.145 307,000 Production Casing or Liner DWEA.100 395,000 Tubing STIMT.10S 43,000 Wellhead, Tree, Chokes DWEB.115 DWEA.120 38.000 DWEA.120 STIMT.120 18,000 STIMT.120 38,000 Packer, Nipples STIMT 400 28,000 PHAMPS WALKOVERS Downhole Lift Equipment STIMT.410 80,000 N/C Lease Equipment Tanks, Tanks Steps, Stairs Battery Equipment Secondary Containments Overhead Power Distribution Facility Electrical Telecommunication Equipment Meters and Metering Equipment Facility Line Pipe Lease Automation Materials FL/GL - Materials FL/GL - Line Pipe Total Tangible Cos 406.000 **Total Estimated Cost** 2,892,000 674,000 5,315,000

Received by OCD: 3/16/2022 10:49:32 AM

CIVIAREX

Authorization For Expenditure - WHITE CITY 8-17-20 FED COM

		Production Equip			Post Completion		Total
Description	Codes		Amount	Codes		Amount	Co
Roads & Location	CON.100		55,550	PCOM.100	Road Repair	7,000	222,55
Damages	CON.105		3,300				33,30
	2011.103		3,300	PCOM.255		0	147,00
Mud/Fluids Disposal				rcolvi.233		U	
Day Rate							507,00
Misc Preparation							20,00
Bits				PCOM.125		0	90,00
Fuel				PCOM.130		0	48,00
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	36,00
Mud & Additives							200,00
				DC011257	5000 BUIDD ( 3	255 400	
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	6000 BWPD for 2 months to BBR @ \$0.74/bbl	266,400	266,40
Surface Rentals	CON.140		3,163	PCOM.140	\$1,500/d for 40 days	60,000	347,16
Downhole Rentals				PCOM.145		0	150,00
Flowback Labor				PCOM.141	\$2,000/d for 15 days	30,000	30,00
Automation Labor	CON.150		65,313	PCOM.150	Sand Separator Hookup	9,500	74,81
						3,300	23,51
IPC & EXTERNAL PAINTING	CON.165		23,513			Section 2	
Cementing & Float Equipment						1	195,00
Tubular Inspections				PCOM.160		0	72,00
Casing Crews							30,00
Mechanical Labor	CON.170		297,413	PCOM.170		0	335,41
	CON.175			PCOM.175		0	62,86
Trucking/Transportation			32,863				
Supervision	CON.180		32,588	PCOM.180		0	184,58
Trailer House/Camp/Catering							83,00
Other Misc Expenses	CON.190		41,525	PCOM.190		0	123,52
Overhead							15,00
MOB/DEMOB							100,00
Directional Drilling Services							
							533,00
Solids Control							53,00
Well Control Equip (Snubbing Services)				PCOM.240		0	180,00
Completion Rig				PCOM.115		0	21,00
Coil Tubing Services				PCOM.260		0	250,00
				PCOM.200		0	346,00
Completion Logging/Perforating/Wireline							
Composite Plugs				PCOM.390		0	63,00
Stimulation Pumping/Chemicals/Additives/Sand				PCOM.210	Initial Chem Install	10,000	3,172,00
Stimulation Water/Water Transfer/Water Storage							358,00
Cimarex Owned Frac/Rental Equipment				PCOM.305	XEC Owned Spherical Plus Iron	72,500	132,50
Legal/Regulatory/Curative	CON.300		0				10,00
Well Control Insurance	CO14.500		U			a transport and a second	
							8,00
FL/GL - ON PAD LABOR	CON.495		21,450				21,45
FL/GL - Labor	CON.500		43,038				43,03
FL/GL - Supervision	CON.505		25,988				25,98
Survey	CON.515		3,025				3,02
Contingency	CON.220		175,725	PCOM.220		0	535,72
	CON.221			TECHTLE		· ·	
Contingency	CON.221		13,750				13,75
Total Intangible Cost			838,200			455,400	9,166,60
Conductor Pipe							7,00
Water String							16,00
Surface Casing							38,00
Intermediate Casing 1							307,00
Production Casing or Liner							
The state of the s							395,00
Tubing				PCOMT.105		0	43,00
Wellhead, Tree, Chokes				PCOMT.120	Welded Hairpin	10,000	104,00
Packer, Nipples				PCOMT.400		0	28,00
PUMPS	CONT.385		30,388				30,38
WALKOVERS	CONT.390						
	CON1.390		16,500			2010	16,50
Downhole Lift Equipment				PCOMT.410		0	80,00
N/C Lease Equipment	CONT.400		239,525				239,52
Tanks, Tanks Steps, Stairs	CONT.405		113,300				113,30
Battery Equipment	CONT.410		390,913				390,91
Secondary Containments	CONT.415						
Overhead Power Distribution			57,063				57,06
	CONT.420		94,188				94,18
Facility Electrical	CONT.425		85,938				85,93
Telecommunication Equipment	CONT.426		1,375				1,37
Meters and Metering Equipment	CONT.445		40,838				40,83
Facility Line Pipe	CONT.450					many and	
			50,050				50,05
Lease Automation Materials	CONT.455		85,938				85,93
FL/GL - Materials	CONT.550		9,488				9,48
FL/GL - Line Pipe	CONT.555		36,438				36,43
Total Tangible Cos			1,251,938			10,000	2,269,93

Company Entity

AFE # 26822020

Date Prepared 10/14/2021

				10/14/2021
Exploration Region Permian Basin	Well Name WHITE CITY 8-17-20 FED COM 6H	Prospect Lea Prospect	Property Number 300001-204.01	AFE <b>26822020</b>
County, State Eddy, NM	Location W2W2 Sections 8, 17 and 20, Townsh Eddy County, NM	ip 25 South, Range 27 East,	Estimated Spud 7/27/2022	Estimated Completion
X New Supplement Revision	Formation Wolfcamp	Well Type <b>DEV</b>	Ttl Measured Depth 25,000	Ttl Vetical Depth 8,920

Purpose Drill and complete well

Description

Drilling Drilling 3-mile WCA

Total Well Cost	\$2,728,000	\$8,265,725	\$10,993,725
Total Tangible Cost	\$406,000	\$1,750,125	\$2,156,125
Lease Equipment		\$1,138,125	\$1,138,125
Well Equipment	\$406,000	\$612,000	\$1,018,000
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Total Intangible Cost	\$2,322,000	\$6,515,600	\$8,837,600
Completion Costs		\$6,515,600	\$6,515,600
Drilling Costs	\$2,322,000		\$2,322,000
Intangible	Dry Hole	After Casing Point	Completed Well Cost

### Comments On Well Costs

### Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

# Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

l e	lect	to ta	ke m	y gas	in kind	
-----	------	-------	------	-------	---------	--

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

### Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Nonoperator Approval			
Company	Approved By (Print Name)	Approved By (Signature)	Date
NOTICE TO NONOPERATOR: Cos	ts shown on this form are estimates only. By executing rhead will be charged in accordance with the Joint Ope	this AFE, the consenting party agrees to pay its proportionate	10/14/202

<sup>1.</sup> All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Post Completion **Production Equip** Total BCP - Drilling ACP - Drilling Description 217 500 Roads & Location DIDC 100 150,000 STIM 100 10,000 CON.100 50 500 PCOM.100 7,000 33,000 Damages **DIDC.105** 30,000 CON.105 3.000 PCOM.255 147,000 STIM.255 Mud/Fluids Disposal DIDC 255 67,000 80.000 477.000 Day Rate DIDC 115 387,000 DICC 120 90 000 20,000 Misc Preparation **DIDC.120** 20.000 90,000 STIM.125 DICC.125 Bits **DIDC.125** 90.000 0 PCOM.130 46,000 Fuel DIDC 135 46,000 DICC.130 0 0 PCOM.135 36,000 STIM.135 Water for Drilling Rig (Not Frac Water) DIDC.140 5,000 DICC.135 0 31.000 200,000 DIDC.145 Mud & Additives 200,000 PCOM.257 177,600 177,600 SWD PIPED TO 3RD PARTY SWD WELL PCOM.140 341,875 STIM.140 CON.140 60,000 DIDC:150 DICC.140 Surface Rentals 104.000 0 175,000 2,875 STIM.145 PCOM.145 149,000 DIDC.155 Downhole Rentals 79.000 70.000 PCOM.141 30,000 STIM.141 30,000 Flowback Labor CON.150 PCOM.150 68,875 59,375 9,500 Automation Labor IPC & EXTERNAL PAINTING CON.165 21,375 21,375 195,000 Cementing & Float Equipment DIDC.185 110.000 DICC.155 85.000 STIM.160 PCOM.160 72,000 Tubular Inspections DIDC.190 63,000 DICC.160 5,000 4,000 Casing Crews DIDC 195 DICC.165 20,000 STIM.165 30,000 10,000 DIDC.200 DICC.170 10,000 STIM.170 CON.170 270,375 PCOM.170 308,375 Mechanical Labor 28.000 Trucking/Transportation DIDC 205 DICC.175 8,000 STIM.175 4,000 CON.175 29,875 PCOM.175 59,875 18,000 DIDC.210 75,000 DICC.180 14,000 STIM.180 58,000 CON.180 29,625 PCOM.180 0 176,625 Supervision DIDC 280 DICC.255 STIM.280 30,000 80.000 Trailer House/Camp/Catering 43,000 7,000 Other Misc Expenses DIDC.220 DICC.190 STIM.190 77,000 CON.190 37,750 PCOM.190 119.750 5,000 DIDC.225 10,000 DICC.195 5,000 15.000 MOB/DEMOB DIDC.240 100,000 100,000 Directional Drilling Services DIDC.245 431,000 431,000 Solids Control DIDC 260 50,000 50,000 PCOM.240 Well Control Equip (Snubbing Services) DIDC.265 DICC 240 5,000 STIM.240 83.000 174,000 86,000 PCOM.115 Completion Rig 21.000 STIM 115 21,000 0 PCOM.260 250,000 Coil Tubing Services STIM.260 250,000 0 PCOM.200 346.000 STIM.200 0 Completion Logging/Perforating/Wireline 346,000 PCOM.390 STIM 390 63.000 Composite Plugs 63.000 PCOM.210 3,172,000 STIM.210 10.000 Stimulation Pumping/Chemicals/Additives/Sand 3.162.000 STIM.395 358,000 Stimulation Water/Water Transfer/Water Storage 358,000 132,500 STIM.305 PCOM.305 72.500 Cimarex Owned Frac/Rental Equipment 60,000 CON.300 Legal/Regulatory/Curative **DIDC.300** 10.000 0 10,000 Well Control Insurance DIDC.285 8,000 8,000 CON.495 19,500 FL/GL - ON PAD LABOR 19.500 CON.500 FL/GL - Labor 39,125 39,125 CON.505 FL/GL - Supervision 23,625 23,625 Survey CON.515 2.750 2,750 Contingency DIDC.435 DICC.220 STIM.220 CON.220 159,750 PCOM.220 512,750 97,000 12,000 244,000 Contingency CON.221 12,500 12,500 Total Intangible Cos 261,000 5,126,000 762,000 366,600 8,837,600 Conductor Pipe DWEB.130 7,000 7,000 Water String DWEB.135 16,000 16,000 Surface Casing DWEB.140 38,000 38.000 Intermediate Casing 1 DWEB.145 307,000 307,000 Production Casing or Liner DWEA 100 395,000 395,000 Tubing STIMT, 105 43,000 PCOMT.105 43,000 Wellhead, Tree, Chokes DW/FR 115 DWEA.120 STIMT.120 PCOMT.120 10,000 104,000 38,000 Packer Ninnles STIMT.400 PCOMT.400 28,000 28,000 PUMPS CONT 385 27,625 27,625 WALKOVERS CONT.390 15,000 15,000 Downhole Lift Equipment STIMT 410 80,000 PCOMT 410 80,000 N/C Lease Equipment **CONT.400** 217,750 217.750 Tanks, Tanks Steps, Stairs CONT.405 103,000 103.000 Battery Equipment CONT 410 355,375 355.375 Secondary Containments CONT.415 51,875 51,875 Overhead Power Distribution CONT.420 85,625 85.625 Facility Electrical CONT.425 78,125 78.125 Telecommunication Equipment CONT.426 1,250 1.250 Meters and Metering Equipment CONT.445 37.125 37.125 Facility Line Pipe CONT.450 45 500 45.500 Lease Automation Materials CONT.455 78.125 78.125 FL/GL - Materials CONT.SSO 8,625 8.625 FL/GL - Line Pipe CONT.555 33.125 33.125 Total Tangible Co ,138,12 **Total Estimated Cost** 2,728,000 674,000 10,993,725

5,315,000

1,900,125

376,600

		BCP - Drilling			ACP - Drilling			Comp/Stim	
Description	Codes	- managamaanaanaan <del>a</del> 2, maa-	Amount	Codes		Amount	Codes		Amour
Roads & Location	DIDC.100		150,000				STIM.100	CON.100	10,00
Damages	DIDC.105		30,000						
	DIDC.255						STIM.255		80,000
Mud/Fluids Disposal		DIGG 130	67,000	DICC 120		00.000	3(1141,633		80,000
Day Rate	DIDC.115	DICC.120	387,000	DICC.120		90,000			
Misc Preparation	DIDC.120		20,000						
Bits	DIDC.125	DICC.12S	90,000	DICC.125	STIM.125	0	STIM.125		(
Fuel	DIDC.135	DICC.130	46,000	DICC.130		0			
Water for Drilling Rig (Not Frac Water)	DIDC.140	DICC.135	5,000	DICC.135	STIM.135	0	STIM.135		31,000
Mud & Additives	DIDC.145		200,000						
SWD PIPED TO 3RD PARTY SWD WELL			200,000						
	DIDC.150	DICC.140	104.000	DICC.140	CTIM 140	0	STIM.140	CON.140	175,000
Surface Rentals		DICC. 140	104,000	DICC. 140	511W1,140	U		CON.140	
Downhole Rentals	DIDC.155		79,000				STIM.145		70,00
Flowback Labor							STIM.141		(
Automation Labor									
IPC & EXTERNAL PAINTING									
Cementing & Float Equipment	DIDC.185	DICC.155	110,000	DICC.155		85,000			
Tubular Inspections	DIDC.190	DICC.160	63,000	DICC.160	STIM.160	5,000	STIM.160		4,000
Casing Crews	DIDC.195	DICC.165		DICC.165	STIM.165	20,000	STIM.165		4,000
			10,000					CON.170	
Mechanical Labor	DIDC.200	DICC.170	28,000	DICC.170	STIM.170	10,000	STIM.170		100
Trucking/Transportation	DIDC.205	DICC.175	18,000	DICC.175	STIM.175	8,000	STIM.175	CON.175	4,00
Supervision	DIDC.210	DICC.180	75,000		STIM.180	14,000	STIM.180	CON.180	58,00
Trailer House/Camp/Catering	DIDC.280	DICC.255	43,000	DICC.255	STIM.280	7,000	STIM.280		30,000
Other Misc Expenses	DIDC.220	DICC.190	5,000	DICC.190	STIM.190	0	STIM.190	CON.190	77,000
Overhead	DIDC.225	DICC.195	10,000	DICC.195		5,000			
MOB/DEMOB	DIDC.240		100,000			5,500			
	DIDC.245								
Directional Drilling Services			431,000						
Solids Control	DIDC.260		50,000						
Well Control Equip (Snubbing Services)	DIDC.265	DICC.240	86,000	DICC.240	STIM.240	5,000	STIM.240		83,000
Completion Rig							STIM.115		21,00
Coil Tubing Services							STIM.260		250,000
Completion Logging/Perforating/Wireline							STIM.200		346,000
Composite Plugs							STIM.390		63,000
							STIM.210		3,162,000
Stimulation									
Stimulation Water/Water Transfer/Water							STIM.395		358,000
Cimarex Owned Frac/Rental Equipment							STIM.305		60,000
Legal/Regulatory/Curative	DIDC.300		10,000						
Well Control Insurance	DIDC.285		8,000						
FL/GL - ON PAD LABOR									
FL/GL - Labor									
FL/GL - Supervision									
Survey									
Contingency	DIDC.435	DICC.220	97,000	DICC.220	STIM.220	12,000	STIM.220	CON.220	244,000
Contingency									
Total Intangible Cos	1		2,322,000			261,000			5,126,000
Conductor Pipe	DWEB.130		7,000	-					
Water String	DWEB.135		16,000						
	DWEB.140								
Surface Casing			38,000						
Intermediate Casing 1	DWEB.145		307,000						
Production Casing or Liner				DWEA.100		395,000			
Tubing							STIMT.105		43,000
Wellhead, Tree, Chokes	DWEB.115	DWEA.120	38,000	DWEA.120	STIMT.120	18,000	STIMT.120		38,000
Packer, Nipples							STIMT.400		28,000
PUMPS									20,500
WALKOVERS									
							CTH .T		
Downhole Lift Equipment							STIMT.410		80,000
N/C Lease Equipment									
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment									
Facility Line Pipe									
Lease Automation Materials									
FL/GL - Materials									
FL/GL - Line Pipe  Total Tangible Co			406,000			413,000			189,00

		Production Equip			Post Completion		Total
Description	Codes		Amount	Codes		Amount	Cos
Roads & Location	CON.100		50,500		Road Repair	7,000	217,500
				1 COM. 100	noad repair	7,000	
Damages	CON.105		3,000				33,00
Mud/Fluids Disposal				PCOM.255		0	147,000
Day Rate							477,000
Misc Preparation							20,000
Bits				PCOM.125		0	90,000
Fuel				PCOM.130		0	46,000
				PCOM.135		0	
Water for Drilling Rig (Not Frac Water)				PCOM. 135		U	36,000
Mud & Additives							200,000
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	4000 BWPD for 2 months to BBR @ \$0.74/bbl	177,600	177,600
Surface Rentals	CON.140		2,875	PCOM.140	\$1,500/d for 40 days	60,000	341,875
Downhole Rentals				PCOM.145		0	149,000
Flowback Labor				PCOM.141	\$2,000/d for 15 days	30,000	30,000
Automation Labor	CON.150		50.275	PCOM.150	Sand Separator Hookup	9,500	68,875
			59,375	PCOIVI. 130	Sand Separator Hookup	9,500	
IPC & EXTERNAL PAINTING	CON.165		21,375				21,375
Cementing & Float Equipment							195,000
Tubular Inspections				PCOM.160		0	72,000
Casing Crews							30,000
Mechanical Labor	CON.170		270,375	PCOM.170		0	308,375
				PCOM.175		0	
Trucking/Transportation	CON.175		29,875				59,875
Supervision	CON.180		29,625	PCOM.180		0	176,625
Trailer House/Camp/Catering							80,000
Other Misc Expenses	CON.190		37,750	PCOM.190		0	119,750
Overhead							15,000
MOB/DEMOB							100,000
Directional Drilling Services							431,000
Solids Control							50,000
Well Control Equip (Snubbing Services)				PCOM.240		0	174,000
Completion Rig				PCOM.115		0	21,000
Coil Tubing Services				PCOM.260		0	250,000
Completion Logging/Perforating/Wireline				PCOM.200		0	346,000
Composite Plugs				PCOM.390		0	63,000
					I will be a set of	and the second s	
Stimulation Pumping/Chemicals/Additives/Sand				PCOM.210	Initial Chem Install	10,000	3,172,000
Stimulation Water/Water Transfer/Water Storage							358,000
Cimarex Owned Frac/Rental Equipment				PCOM.305	XEC Owned Spherical Plus Iron	72,500	132,500
Legal/Regulatory/Curative	CON.300		0				10,000
Well Control Insurance							8,000
FL/GL - ON PAD LABOR	CON.495		19,500				19,500
FL/GL - Labor	CON.500						
			39,125				39,125
FL/GL - Supervision	CON.505		23,625				23,625
Survey	CON.515		2,750				2,750
Contingency	CON.220		159,750	PCOM.220		0	512,750
Contingency	CON.221		12,500				12,500
Total Intangible Cost			762,000			366,600	8,837,600
	*******************	\$200E1222200+********************************	762,000		1 LEP 200 CLISS CC 200 PC EX CRIS CLISS CONTROL CONTRO	300,000	
Conductor Pipe							7,000
Water String							16,000
Surface Casing							38,000
Intermediate Casing 1							307,000
Production Casing or Liner							395,000
Tubing				PCOMT.105		0	43,000
Wellhead, Tree, Chokes				PCOMT.120	Welded Hairpin	10,000	104,000
					reaca naupin		
Packer, Nipples				PCOMT.400		0	28,000
PUMPS	CONT.385		27,625				27,625
WALKOVERS	CONT.390		15,000				15,000
Downhole Lift Equipment				PCOMT.410		0	80,000
N/C Lease Equipment	CONT.400		217,750				217,750
Tanks, Tanks Steps, Stairs	CONT.405						103,000
Control of the Control of the Control of Con			103,000				
Battery Equipment	CONT.410		355,375				355,375
Secondary Containments	CONT.415		51,875			-	51,875
Overhead Power Distribution	CONT.420		85,625				85,625
Facility Electrical	CONT.425		78,125				78,129
Telecommunication Equipment	CONT.426		1,250				1,250
Meters and Metering Equipment	CONT.445						
			37,125				37,125
Facility Line Pipe	CONT.450		45,500				45,500
Lease Automation Materials	CONT.455		78,125				78,125
FL/GL - Materials	CONT.550		8,625				8,625
FL/GL - Line Pipe	CONT.555		33,125				33,125
Total Tangible Cos			1,138,125			10,000	2,156,125

Description

Drilling Drill 3-mile lower WC

AFE # 26822021

\$11,436,538

Date Prepared Company Entity 10/14/2021 Property Number AFE Well Name Prospect **Exploration Region** 300001-208.01 26822021 Permian Basin WHITE CITY 8-17-20 FED COM 7H Carlsbad Bone Spring Prospect Estimated Spud **Estimated Completion** County, State Location 9/14/2022 W2W2 Sections 8, 17 and 20, Township 25 South, Range 27 East, Eddy, NM Eddy County, NM X New Ttl Vetical Depth Well Type Ttl Measured Depth Formation Supplement Wolfcamp DEV 25,200 9,120 Revision Drill and complete well Purpose

Completed Well Cost Dry Hole After Casing Point Intangible \$2,486,000 \$2,486,000 **Drilling Costs** Completion Costs \$6,680,600 \$6,680,600 \$2,486,000 \$6,680,600 \$9,166,600 Total Intangible Cost Completed Well Cost Tangible Dry Hole After Casing Point \$406,000 \$612,000 \$1,018,000 Well Equipment Lease Equipment \$1,251,938 \$1,251,938 \$2,269,938 Total Tangible Cost \$406,000 \$1,863,938

\$2,892,000

\$8,544,538

#### Comments On Well Costs

Total Well Cost

### Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

# Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

### Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Company	Approved By (Print Name)	Approved By (Signature)	Date
IOTICE TO NONOPERATOR: Cos hare of actual costs incurred. Ove	ts shown on this form are estimates only. By executing the shown on this form are estimates only. By executing the shown on the sound of the shown o	g this AFE, the consenting party agrees to pay its proportionate	10/14/202

<sup>1.</sup> All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

		Drilling		- Drilling	E .	p/Stim		ion Equip		mpletion	Total
Description	Codes	Amount	Codes	Amount		Amount	Codes	Amount		Amount	Co
Roads & Location	DIDC.100	150,000			STIM.100	10,000	CON.100	55,550	PCOM.100	7,000	222,55
Damages	DIDC.105	30,000					CON.105	3,300			33,30
Mud/Fluids Disposal	DIDC.255	67,000			STIM.255	80,000			PCOM.255	0	147,00
Day Rate	DIDC.115	417,000	DICC.120	90,000							507,00
Misc Preparation	DIDC.120	20,000									20,00
Bits	DIDC.125	90,000	DICC.125	0	STIM.125	0			PCOM.125	0	90,00
Fuel	DIDC.135		DICC.130	0	5111111125	U			PCOM.130	0	48,00
		48,000			CTILLAR						
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC.135	0	STIM.135	31,000			PCOM.135	0	36,00
Mud & Additives	DIDC.145	200,000									200,00
SWD PIPED TO 3RD PARTY SWD WELL									PCOM.257	266,400	266,40
Surface Rentals	DIDC.150	109,000	DICC.140	0	STIM.140	175,000	CON.140	3,163	PCOM.140	60,000	347,16
Downhole Rentals	DIDC.155	80,000			STIM.145	70,000			PCOM.145	0	150,00
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,00
Automation Labor							CON.150	65,313	PCOM.150	9,500	74,81
IPC & EXTERNAL PAINTING							CON.165	23,513		5,500	23,51
Cementing & Float Equipment	DIDC.185	440,000	DICC.155	05.000			CO14.703	23,313		The Real Property lies	
		110,000		85,000							195,00
Tubular Inspections	DIDC.190	63,000	DICC.160	5,000	STIM.160	4,000			PCOM.160	0	72,00
Casing Crews	DIDC.195	10,000	DICC.165	20,000	STIM.165	0					30,000
Mechanical Labor	DIDC.200	28,000	DICC.170	10,000	STIM.170	0	CON.170	297,413	PCOM.170	0	335,41
Trucking/Transportation	DIDC.205	18,000	DICC.175	8,000	STIM.175	4,000	CON.175	32,863	PCOM.175	0	62,86
Supervision	DIDC.210	80,000	DICC.180	14,000	STIM.180	58,000	CON.180	32,588	PCOM.180	0	184,58
Trailer House/Camp/Catering	DIDC.280	46,000	DICC.255	7,000	STIM.280	30,000		32,530			83,000
Other Misc Expenses	DIDC.220	5,000	DICC.190	0	STIM.190	77,000	CON.190	41,525	PCOM.190	0	123,525
Overhead	DIDC.225				311147.130	77,000	2014.130	41,323	1 CON.130	O	
	DIDC.240	10,000	DICC.195	5,000							15,000
MOB/DEMOB		100,000									100,000
Directional Drilling Services	DIDC.245	533,000									533,000
Solids Control	DIDC.260	53,000									53,000
Well Control Equip (Snubbing Services)	DIDC.265	92,000	DICC.240	5,000	STIM.240	83,000			PCOM.240	0	180,000
Completion Rig					STIM.115	21,000			PCOM.115	0	21,000
Coil Tubing Services					STIM.260	250,000			PCOM.260	0	250,000
Completion Logging/Perforating/Wireline					STIM.200	346,000			PCOM.200	0	346,000
Composite Plugs					STIM.390				PCOM.390		
						63,000				0	63,000
Stimulation Pumping/Chemicals/Additives/Sand					STIM.210	3,162,000			PCOM.210	10,000	3,172,000
Stimulation Water/Water Transfer/Water Storage					STIM.395	358,000					358,000
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	72,500	132,500
Legal/Regulatory/Curative	DIDC.300	10,000					CON.300	0			10,000
Well Control Insurance	DIDC.285	8,000									8,000
FL/GL - ON PAD LABOR							CON.495	21,450			21,450
FL/GL - Labor							CON.500	43,038			43,038
FL/GL - Supervision							CON.505	25,988			25,988
Survey							CON.515				
	DIDC.435	401000	DICC 220		5711 4 222			3,025	20011220	STATE OF THE PARTY	3,025
Contingency	DIDC.435	104,000	DICC.220	12,000	STIM.220	244,000	CON.220	175,725	PCOM.220	0	535,725
Contingency							CON.221	13,750			13,750
Total Intangible Cost		2,486,000		261,000		5,126,000		838,200		455,400	9,166,600
Conductor Pipe	DWEB.130	7,000									7,000
Water String	DWEB.135	16,000									16,000
Surface Casing	DWEB.140	38,000									38,000
Intermediate Casing 1	DWEB.145	307,000									307,000
Production Casing or Liner		_ 5.7000	DWEA.100	395,000							395,000
Tubing				333,000	STIMT.105	42.000			PCOMT.105	0	
Wellhead, Tree, Chokes	DWEB.115	70.000	DIMEA 120	40.000		43,000				0	43,000
	DVVE8.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT.120	10,000	104,000
Packer, Nipples					STIMT.400	28,000			PCOMT.400	0	28,000
PUMPS							CONT.385	30,388			30,388
WALKOVERS							CONT.390	16,500			16,500
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,000
N/C Lease Equipment						-,0	CONT.400	239,525			239,525
Tanks, Tanks Steps, Stairs							CONT.405	113,300			113,300
Battery Equipment							CONT.410				
Secondary Containments								390,913			390,913
							CONT.415	57,063			57,063
Overhead Power Distribution							CONT.420	94,188		-	94,188
Facility Electrical							CONT.425	85,938			85,938
Telecommunication Equipment							CONT.426	1,375		No. of the last	1,375
Meters and Metering Equipment							CONT.445	40,838			40,838
Facility Line Pipe							CONT.450	50,050			50,050
Lease Automation Materials							CONT.455				
FL/GL - Materials								85,938			85,938
							CONT.550	9,488		100000	9,488
FL/GL - Line Pipe							CONT.555	36,438			36,438
Total Tangible Cos		406,000		413,000		189,000		1,251,938		10,000	2,269,938
		2,892,000		674,000		5,315,000		2,090,138		465,400	11,436,538

		BCP - Drilling			ACP - Drilling			Comp/Stim	
Description	Codes		Amount	Codes		Amount	Codes		Amou
Roads & Location	DIDC.100		150,000				STIM.100	CON.100	10,00
Damages	DIDC.105		30,000						
Mud/Fluids Disposal	DIDC.255		67,000				STIM.255		80,00
		DIEC 120		DICC 130		00.000	3(114),633		80,00
Day Rate	DIDC.115	DICC.120	417,000	DICC.120		90,000			
Misc Preparation	DIDC.120		20,000						
Bits	DIDC.125	DICC.125	90,000	DICC.125	STIM.125	0	STIM.125		
Fuel	DIDC.135	DICC.130	48,000	DICC.130		0			
Water for Drilling Rig (Not Frac Water)	DIDC.140	DICC.135	5,000	DICC.135	STIM.135	0	STIM.135		31,00
Mud & Additives	DIDC.145		200,000						
SWD PIPED TO 3RD PARTY SWD WELL			200,000						
	DIDEATO	Dieseria		0155110	STIM.140		STIM,140	CON.140	175.00
Surface Rentals	DIDC.150	DICC.140	109,000	DICC.140	511W, 140	0		CON.140	175,00
Downhole Rentals	DIDC.155		80,000				STIM.145		70,00
Flowback Labor							STIM.141		
Automation Labor									
IPC & EXTERNAL PAINTING									
Cementing & Float Equipment	DIDC.185	DICC.155	110,000	DICC.155		85,000			
					CTILA 1CO		CTHA 160		4.00
Tubular Inspections	DIDC.190	DICC.160	63,000	DICC.160	STIM.160	5,000	STIM.160		4,00
Casing Crews	DIDC.195	DICC.165	10,000	DICC.165	STIM.165	20,000	STIM.165		
Mechanical Labor	DIDC.200	DICC.170	28,000	DICC.170	STIM.170	10,000	STIM.170	CON.170	
Trucking/Transportation	DIDC.205	DICC.175	18,000	DICC.175	STIM.175	8,000	STIM.175	CON.175	4,00
Supervision	DIDC.210	DICC.180	80,000		STIM.180	14,000	STIM.180	CON.180	58,00
Trailer House/Camp/Catering	DIDC.280	DICC.255	46,000	DICC.255	STIM.280	7,000	STIM.280		30,00
							STIM.190	CON.190	
Other Misc Expenses	DIDC.220	DICC.190	5,000	DICC.190	STIM.190	0	3 t IIVI, 190	CON, 190	77,00
Overhead	DIDC.225	DICC.195	10,000	DICC.195		5,000			
MOB/DEMOB	DIDC.240		100,000						
Directional Drilling Services	DIDC.245		533,000						
Solids Control	DIDC.260		53,000						
Well Control Equip (Snubbing Services)	DIDC.265	DICC.240	92,000	DICC.240	STIM.240	5,000	STIM.240		83,000
	DIDC.203	DICC.240	92,000	DICC.240	311111,240	3,000	STIM.115		
Completion Rig									21,00
Coil Tubing Services							STIM.260		250,000
Completion Logging/Perforating/Wireline							STIM.200		346,000
Composite Plugs							STIM.390		63,000
Stimulation							STIM.210		3,162,000
Stimulation Water/Water Transfer/Water							STIM.395		358,000
Cimarex Owned Frac/Rental Equipment							STIM.305		
	DIDEADO						3 (11/1.303		60,00
Legal/Regulatory/Curative	DIDC.300		10,000						
Well Control Insurance	DIDC.285		8,000						
FL/GL - ON PAD LABOR									
FL/GL - Labor									
FL/GL - Supervision									
Survey									
	DID # 100	2155 222							
Contingency	DIDC.435	DICC.220	104,000	DICC.220	STIM.220	12,000	STIM.220	CON.220	244,00
Contingency									
Total Intangible Cos	3		2,486,000			261,000			5,126,00
Conductor Pipe	DWEB.130		7,000						
Water String	DWEB.135		16,000						
Surface Casing	DWEB.140								
			38,000						
Intermediate Casing 1	DWEB.145		307,000						
Production Casing or Liner				DWEA.100		395,000			
Tubing							STIMT.105		43,000
Wellhead, Tree, Chokes	DWEB.115	DWEA.120	38,000	DWEA.120	STIMT.120	18,000	STIMT.120		38,000
Packer, Nipples						10,000	STIMT.400		28,000
PUMPS									20,000
WALKOVERS									
							100		
Downhole Lift Equipment							STIMT.410		80,00
N/C Lease Equipment									
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment									
Facility Line Pipe									
Lease Automation Materials									
FL/GL - Materials									
FL/GL - Line Pipe									
Total Tangible Cos			406,000			413,000			189,00

		Production Equip			Post Completion		Total
Description	Codes		Amount	Codes		Amount	Co
Roads & Location	CON.100		55,550		Road Repair	7,000	222,5
Damages	CON.105		3,300			1,000	33,3
	CON.103		3,300	DCOMPE		0	
Mud/Fluids Disposal				PCOM.255		0	147,0
Day Rate							507,0
Misc Preparation							20,0
Bits				PCOM.125		0	90,0
Fuel				PCOM.130		0	48,0
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	36,0
				r cowi.133		U	
Mud & Additives						THE RESERVE	200,0
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	6000 BWPD for 2 months to BBR @ \$0.74/bbl	266,400	266,4
Surface Rentals	CON.140		3,163	PCOM.140	\$1,500/d for 40 days	60,000	347,1
Downhole Rentals				PCOM.145		0	150,0
Flowback Labor				PCOM.141	\$2,000/d for 15 days	30,000	30,0
Automation Labor	CON.150		65,313	PCOM.150	Sand Separator Hookup	9,500	74,8
				7 60111.130	Sund Separator Freezap	3,300	
PC & EXTERNAL PAINTING	CON.165		23,513			STATE OF THE PARTY OF	23,5
Cementing & Float Equipment							195,0
Fubular Inspections				PCOM.160		0	72,0
Casing Crews							30,0
Mechanical Labor	CON.170		297,413	PCOM.170		0	335,4
	CON.175			PCOM.175		0	62,8
Frucking/Transportation			32,863				
Supervision	CON.180		32,588	PCOM.180		0	184,5
Trailer House/Camp/Catering							83,0
Other Misc Expenses	CON.190		41,525	PCOM.190		0	123,5
Overhead							15,0
MOB/DEMOB							100,0
							533,0
Directional Drilling Services							
Solids Control							53,0
Well Control Equip (Snubbing Services)				PCOM.240		0	180,0
Completion Rig				PCOM.115		0	21,0
Coil Tubing Services				PCOM.260		0	250,0
Completion Logging/Perforating/Wireline				PCOM.200		0	346,0
				PCOM.390		0	63,0
Composite Plugs					to the to the	The second secon	
Stimulation Pumping/Chemicals/Additives/Sand				PCOM.210	Initial Chem Install	10,000	3,172,0
Stimulation Water/Water Transfer/Water Storage							358,0
Cimarex Owned Frac/Rental Equipment				PCOM.305	XEC Owned Spherical Plus Iron	72,500	132,5
Legal/Regulatory/Curative	CON.300		0				10,0
Well Control Insurance							8,0
FL/GL - ON PAD LABOR	CON.495		21 450				21,4
			21,450				
FL/GL - Labor	CON.500		43,038				43,0
FL/GL - Supervision	CON.505		25,988				25,9
Survey	CON.515		3,025				3,0
Contingency	CON.220		175,725	PCOM.220		0	535,7
Contingency	CON.221		13,750				13,7
Total Intangible Cost						AEE 400	9,166,6
			838,200	*************		455,400	
Conductor Pipe							7,0
Water String							16,0
Surface Casing							38,0
Intermediate Casing 1							307,0
Production Casing or Liner							395,0
Tubing				PCOMT.105		0	43,0
					Welded Mainie	1	
Wellhead, Tree, Chokes					Welded Hairpin	10,000	104,0
Packer, Nipples				PCOMT.400		0	28,0
PUMPS	CONT.385		30,388				30,3
WALKOVERS	CONT.390		16,500				16,5
Downhole Lift Equipment				PCOMT.410		0	80,0
N/C Lease Equipment	CONT.400		239 525				239,5
Tanks, Tanks Steps, Stairs	CONT.405		239,525				
			113,300				113,3
Battery Equipment	CONT.410		390,913				390,9
Secondary Containments	CONT.415		57,063				57,0
Overhead Power Distribution	CONT.420		94,188				94,1
Facility Electrical	CONT.425		85,938				85,9
Telecommunication Equipment	CONT.426						
	CONT.445		1,375			The state of	1,3
Meters and Metering Equipment			40,838				40,8
Facility Line Pipe	CONT.450		50,050				50,0
Lease Automation Materials	CONT.455		85,938				85,9
FL/GL - Materials	CONT.550		9,488				9,4
FL/GL - Line Pipe	CONT.555		36,438				36,4
	_0.41.333						
Total Tangible Cos			1,251,938			10,000	2,269,9

Date Prepared Company Entity 10/14/2021 Property Number AFE Well Name Prospect Exploration Region 26822022 Permian Basin WHITE CITY 8-17-20 FED COM 17H Carlsbad Bone Spring Prospect 300001-205.01 Estimated Spud **Estimated Completion** County, State Location W2E2 Sections 8, 17 and 20, Township 25 South, Range 27 East, 8/9/2022 Eddy, NM Eddy County, NM X New Ttl Vetical Depth Well Type Ttl Measured Depth Formation Supplement Wolfcamp DEV 25,000 8,920 Revision

Purpose Drill and complete well

Description

Drilling 3-mile WCA target

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,322,000		\$2,322,000
Completion Costs		\$6,515,600	\$6,515,600
Total Intangible Cost	\$2,322,000	\$6,515,600	\$8,837,600
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$406,000	\$612,000	\$1,018,000
Lease Equipment		\$1,138,125	\$1,138,125
Total Tangible Cost	\$406,000	\$1,750,125	\$2,156,125
Total Well Cost	\$2,728,000	\$8,265,725	\$10,993,725

### Comments On Well Costs

### Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

# Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

### Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Company	Approved By (Print Name)	Approved By (Signature)	Date
*******************************			

NOTICE TO NONOPERATOR: Costs snown on this form are estimates only. By executing this AFE, the consenting party agrees to pay its proportionate share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

10/14/2021

<sup>1.</sup> All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

		Drilling		- Drilling	Comp		Production		Post Com		Total
Description	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Co
Roads & Location	DIDC.100	150,000			STIM.100	10,000	CON.100	50,500	PCOM.100	7,000	217,50
Damages	DIDC.105	30,000					CON.105	3,000			33,00
Mud/Fluids Disposal	DIDC.255	67,000			STIM.255	80,000			PCOM.255	0	147,00
Day Rate	DIDC.115	387,000	DICC.120	90,000							477,00
	DIDC.120		DICC.120	90,000							
Misc Preparation		20,000							20011125		20,00
Bits	DIDC.125	90,000	DICC.125	0	STIM.125	0			PCOM.125	0	90,00
Fuel	DIDC.135	46,000	DICC.130	0					PCOM.130	0	46,00
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC.135	0	STIM.135	31,000			PCOM.135	0	36,00
Mud & Additives	DIDC.145	200,000									200,00
SWD PIPED TO 3RD PARTY SWD WELL		200,000							PCOM.257	177,600	177,60
	DIRECTE		Discours		CTIM 4 4 40	488.000	CON 140	0.075	PCOM.140		
Surface Rentals	DIDC.150	104,000	DICC.140	0	STIM.140	175,000	CON.140	2,875		60,000	341,87
Downhole Rentals	DIDC.155	79,000			STIM.145	70,000			PCOM.145	0	149,00
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,00
Automation Labor							CON.150	59,375	PCOM.150	9,500	68,87
PC & EXTERNAL PAINTING							CON.165	21,375		Market Street	21,3
	DIDC.185	110,000	DICC.155	95 000				21,575			195,00
Cementing & Float Equipment				85,000	ET11 4 4 50				00011100		
Tubular Inspections	DIDC,190	63,000	DICC.160	5,000	STIM.160	4,000			PCOM.160	0	72,00
Casing Crews	DIDC.195	10,000	DICC.165	20,000	STIM.165	0					30,00
Mechanical Labor	DIDC.200	28,000	DICC.170	10,000	STIM.170	0	CON.170	270,375	PCOM.170	0	308,37
Trucking/Transportation	DIDC.205	18,000	DICC.175	8,000	STIM.175	4,000	CON.175	29,875	PCOM.175	0	59,8
Supervision	DIDC.210	75,000	DICC.180	14,000	STIM.180	58,000	CON.180	29,625	PCOM.180	0	176,62
							20.1.100	27,023		U	
Trailer House/Camp/Catering	DIDC.280	43,000	DICC.255	7,000	STIM.280	30,000	collins		DCOM		80,0
Other Misc Expenses	DIDC.220	5,000	DICC.190	0	STIM.190	77,000	CON.190	37,750	PCOM.190	0	119,7
Overhead	DIDC.225	10,000	DICC.195	5,000						1	15,00
MOB/DEMOB	DIDC.240	100,000								A STATE OF	100,00
Directional Drilling Services	DIDC.245	431,000									431,00
Solids Control	DIDC.260	50,000									50,00
			DICC.240	F 000	STIM.240	82.000			PCOM.240	0	174,00
Well Control Equip (Snubbing Services)	DIDC.265	86,000	DICC.240	5,000		83,000					
Completion Rig					STIM.115	21,000			PCOM.115	0	21,00
Coil Tubing Services					STIM.260	250,000			PCOM.260	0	250,00
Completion Logging/Perforating/Wireline					STIM.200	346,000			PCOM.200	0	346,00
Composite Plugs					STIM.390	63,000			PCOM.390	0	63,00
Stimulation Pumping/Chemicals/Additives/Sand					STIM.210	3,162,000			PCOM.210	10,000	3,172,00
Stimulation Water/Water Transfer/Water Storage					STIM.395				-	10,000	358,00
						358,000			20011305		
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	72,500	132,50
Legal/Regulatory/Curative	DIDC.300	10,000					CON.300	0			10,00
Well Control Insurance	DIDC.285	8,000									8,00
FL/GL - ON PAD LABOR							CON.495	19,500		-	19,50
FL/GL - Labor							CON.500	39,125			39,12
							CON.505			1000000	23,62
FL/GL - Supervision								23,625			
Survey							CON.515	2,750			2,75
Contingency	DIDC.435	97,000	DICC.220	12,000	STIM.220	244,000	CON.220	159,750	PCOM.220	0	512,7
Contingency							CON.221	12,500			12,50
Total Intangible Cost		2,322,000		261,000		5,126,000		762,000		366,600	8,837,60
Conductor Pipe	DWEB.130	7,000	particulative particular to the	20,,000	Accessors to the contract of t	2,.20,000	CONTRACTOR STREET	. 32,000	(construction of the construction of the const	C101001114111411414141414141414141414141	7,00
Water String	DWEB.135	16,000									16,00
Surface Casing	DWEB.140	38,000									38,00
Intermediate Casing 1	DWEB.145	307,000									307,00
Production Casing or Liner			DWEA.100	395,000							395,00
Tubing					STIMT.105	43,000			PCOMT.105	0	43,00
Wellhead, Tree, Chokes	DWEB.115	20.000	DWEA.120	10.000	STIMT.120				PCOMT.120	The second secon	
	DVVEB. 115	38,000	DVVCA.120	18,000		38,000				10,000	104,00
Packer, Nipples					STIMT.400	28,000			PCOMT.400	0	28,00
PUMPS							CONT.385	27,625			27,6
WAŁKOVERS							CONT.390	15,000		4 1 1 1	15,00
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,06
N/C Lease Equipment						50,000	CONT.400	217,750			217,75
Tanks, Tanks Steps, Stairs							CONT.405	103,000			103,00
Battery Equipment							CONT.410	355,375			355,3
Secondary Containments							CONT.415	51,875			51,8
Overhead Power Distribution							CONT.420	85,625			85,62
Facility Electrical							CONT.425	78,125			78,1
Telecommunication Equipment											
							CONT.426	1,250			1,2
Meters and Metering Equipment							CONT.445	37,125		and the second	37,1
Facility Line Pipe							CONT.450	45,500			45,5
Lease Automation Materials							CONT.455	78,125			78,1
FL/GL - Materials							CONT.550	8,625			8,6
FL/GL - Line Pipe							CONT.555				
							CO141.333	33,125			33,12
Total Tangible Cos		406,000		413,000		189,000		1,138,125		10,000	2,156,1

		BCP - Drilling			ACP - Drilling			Comp/Stim	
Description	Codes		Amount	Codes		Amount	Codes		Amou
Roads & Location	DIDC.100		150,000				STIM.100	CON.100	10,0
Damages	DIDC.105		30,000						
	DIDC.255						STIM.255		80,00
Mud/Fluids Disposal			67,000	0100100		00.000	31111,633		80,00
Day Rate	DIDC.115	DICC.120	387,000	DICC.120		90,000			
Misc Preparation	DIDC.120		20,000						
Bits	DIDC.125	DICC.125	90,000	DICC.125	STIM.125	0	STIM.125		
Fuel	DIDC.135	DICC.130	46,000	DICC.130		0			
Water for Drilling Rig (Not Frac Water)	DIDC.140	DICC.135	5,000	DICC.135	STIM.135	0	STIM.135		31,00
	DIDC.145	DICC.155		01001100					5.,00
Mud & Additives	DIDC. 145		200,000						
SWD PIPED TO 3RD PARTY SWD WELL									
Surface Rentals	DIDC.150	DICC.140	104,000	DICC.140	STIM.140	0	STIM.140	CON.140	175,00
Downhole Rentals	DIDC.155		79,000				STIM.145		70,00
Flowback Labor							STIM.141		
Automation Labor									
IPC & EXTERNAL PAINTING									
						No. of Concession, Name of Street, or other party of the Concession, Name of Street, or other pa			
Cementing & Float Equipment		DICC.155	110,000	DICC.155		85,000			
Tubular Inspections	DIDC.190	DICC.160	63,000	DICC.160	STIM.160	5,000	STIM.160		4,00
Casing Crews	DIDC.195	DICC.165	10,000	DICC.165	STIM.165	20,000	STIM.165		
Mechanical Labor	DIDC.200	DICC.170	28,000		STIM.170	10,000	STIM.170	CON.170	
	DIDC.205	DICC.175		DICC.175	STIM.175	8,000	STIM.175	CON.175	4,00
Trucking/Transportation			18,000						
Supervision		DICC.180	75,000	DICC.180	STIM.180	14,000	STIM.180	CON.180	58,00
Trailer House/Camp/Catering	DIDC.280	DICC.255	43,000	DICC.255	STIM.280	7,000	STIM.280		30,00
Other Misc Expenses	DIDC.220	DICC.190	5,000	DICC.190	STIM.190	0	STIM.190	CON.190	77,00
Overhead	DIDC.225	DICC.195	10,000	DICC.195		5,000			
MOB/DEMOB	DIDC.240		100,000			A TOTAL			
Directional Drilling Services	DIDC.245								
			431,000						
Solids Control	DIDC.260		50,000						
Well Control Equip (Snubbing Services)	DIDC.265	DICC.240	86,000	DICC.240	STIM.240	5,000	STIM.240		83,00
Completion Rig							STIM.115		21,00
Coil Tubing Services							STIM.260		250,00
Completion Logging/Perforating/Wireline							STIM.200		346,00
Composite Plugs							STIM.390		63,00
							STIM.210		
Stimulation									3,162,00
Stimulation Water/Water Transfer/Water							STIM.395		358,00
Cimarex Owned Frac/Rental Equipment							STIM.305		60,00
Legal/Regulatory/Curative	DIDC.300		10,000						
Well Control Insurance	DIDC.285		8,000						
FL/GL - ON PAD LABOR			0,000						
FL/GL - Labor									
FL/GL - Supervision									
Survey									
Contingency	DIDC.435	DICC.220	97,000	DICC.220	STIM.220	12,000	STIM.220	CON.220	244,00
Contingency									
Total Intangible Cos			2,322,000			261,000			5,126,00
				<u> </u>		201,000			3,120,00
Conductor Pipe	DWEB.130		7,000						
Water String	DWEB.135		16,000						
Surface Casing	DWEB.140		38,000						
Intermediate Casing 1	DWEB.145		307,000						
Production Casing or Liner				DWEA.100		395,000			
Tubing						233,000	STIMT.105		43,00
Wellhead, Tree, Chokes	DIMER 110	DWEA.120	20,000	DIMEA 130	CTILAT 120	10,000			
	DAAER 112	DVVCA.12U	38,000	DWEA.120	STIMT.120	18,000	STIMT.120		38,00
Packer, Nipples							STIMT.400		28,00
PUMPS									
WALKOVERS									
Downhole Lift Equipment							STIMT,410		80,00
N/C Lease Equipment									00,00
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment									
Facility Line Pipe									
Lease Automation Materials									
FL/GL - Materials									
FL/GL - Line Pipe									
FL/GL - Line Pipe  Total Tangible Cos			406,000			413,000			189,00

		Production Equip			Post Completion		Total
Description	Codes		Amount	Codes		Amount	Cos
Roads & Location	CON.100		50,500	PCOM.100	Road Repair	7,000	217,50
Damages	CON.105		3,000				33,00
Mud/Fluids Disposal			5,000	PCOM.255		0	147,00
Day Rate				1 COMILES			477,00
Misc Preparation							20,00
Bits				PCOM.125		0	90,000
Fuel				PCOM.130		0	46,000
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	36,000
Mud & Additives							200,000
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	4000 BWPD for 2 months to BBR @ \$0.74/bbl	177,600	177,600
Surface Rentals	CON.140		2.075		\$1,500/d for 40 days	60,000	
	CON.140		2,875	PCOM.140	\$1,500/d for 40 days		341,875
Downhole Rentals				PCOM.145		0	149,000
Flowback Labor				PCOM.141	\$2,000/d for 15 days	30,000	30,000
Automation Labor	CON.150		59,375	PCOM.150	Sand Separator Hookup	9,500	68,87
IPC & EXTERNAL PAINTING	CON.165		21,375				21,375
Cementing & Float Equipment							195,000
Tubular Inspections				PCOM.160		0	72,000
				FCOW. 100		0	
Casing Crews				2401:			30,000
Mechanical Labor	CON.170		270,375	PCOM.170		0	308,375
Trucking/Transportation	CON.175		29,875	PCOM.175		0	59,87
Supervision	CON.180		29,625	PCOM.180		0	176,625
Trailer House/Camp/Catering							80,000
Other Misc Expenses	CON.190		37,750	PCOM.190		0	119,750
Overhead Overhead	2014.130		37,730	. 20.11.130		J	
							15,000
MOB/DEMOB						DESCRIPTION OF THE PARTY OF THE	100,000
Directional Drilling Services							431,000
Solids Control							50,000
Well Control Equip (Snubbing Services)				PCOM.240		0	174,000
Completion Rig				PCOM.115		0	21,000
The state of the s				PCOM.260		0	
Coil Tubing Services							250,000
Completion Logging/Perforating/Wireline				PCOM.200		0	346,000
Composite Plugs				PCOM.390		0	63,000
Stimulation Pumping/Chemicals/Additives/Sand				PCOM.210	Initial Chem Install	10,000	3,172,000
Stimulation Water/Water Transfer/Water Storage							358,000
Cimarex Owned Frac/Rental Equipment				PCOM.305	XEC Owned Spherical Plus Iron	72,500	132,500
Legal/Regulatory/Curative	CON.300		0			12,000	10,000
	CO14.300		0				
Well Control Insurance							8,000
FL/GL - ON PAD LABOR	CON.495		19,500				19,500
FL/GL - Labor	CON.500		39,125				39,125
FL/GL - Supervision	CON.505		23,625				23,625
Survey	CON.515		2,750				2,750
Contingency	CON.220		159,750	PCOM.220		0	512,750
				1 CONLEG		· ·	
Contingency	CON.221		12,500				12,500
Total Intangible Cost			762,000			366,600	8,837,600
Conductor Pipe							7,000
Water String							16,000
Surface Casing						1	38,000
Intermediate Casing 1							307,000
Production Casing or Liner							
				DC01 (T 4-5			395,000
Tubing				PCOMT.105		0	43,000
Wellhead, Tree, Chokes					Welded Hairpin	10,000	104,000
Packer, Nipples				PCOMT.400		0	28,000
PUMPS	CONT.385		27,625				27,625
WALKOVERS	CONT.390		15,000				15,000
Downhole Lift Equipment			15,000	PCOMT.410	The same of the sa		
A CONTRACTOR OF THE PARTY OF TH	CONTACO			FCOM1.410		0	80,000
N/C Lease Equipment	CONT.400		217,750				217,750
Tanks, Tanks Steps, Stairs	CONT.405		103,000				103,000
Battery Equipment	CONT.410		355,375				355,375
Secondary Containments	CONT.415		51,875				51,875
Overhead Power Distribution	CONT.420		85,625				85,625
Facility Electrical	CONT.425						
			78,125				78,125
Telecommunication Equipment,	CONT.426		1,250			to de la constitución de la cons	1,250
Meters and Metering Equipment	CONT.445		37,125				37,125
Facility Line Pipe	CONT.450		45,500				45,500
Lease Automation Materials	CONT.455		78,125				78,125
FL/GL - Materials	CONT.550		8,625				8,625
FL/GL - Line Pipe	CONT.555						
	-0141.333		33,125				33,125
Total Tangible Cos			1,138,125			10,000	2,156,129

Date Prepared Company Entity 10/14/2021 Property Number AFE Well Name Prospect **Exploration Region** 300001-206.01 26822023 Permian Basin WHITE CITY 8-17-20 FED COM 18H Carlsbad Bone Spring Prospect County, State Estimated Spud **Estimated Completion** Location E2E2 Sections 8, 17 and 20, Township 25 South, Range 27 East, 8/18/2022 Eddy, NM Eddy County, NM X New Ttl Measured Depth Ttl Vetical Depth Well Type Formation Supplement 8,920 Wolfcamp DEV 25.000 Revision Drill and complete well Purpose

Description

Drilling Drill 3-mile WCA

lates cible	Dry Hole	After Casing Point	Completed Well Cost
Intangible		After Casing Point	
Drilling Costs	\$2,322,000		\$2,322,000
Completion Costs		\$6,515,600	\$6,515,600
Total Intangible Cost	\$2,322,000	\$6,515,600	\$8,837,600
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$406,000	\$612,000	\$1,018,000
Lease Equipment		\$1,138,125	\$1,138,125
Total Tangible Cost	\$406,000	\$1,750,125	\$2,156,125
Total Well Cost	\$2,728,000	\$8,265,725	\$10,993,725

### Comments On Well Costs

### Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

# Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

### Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Company	Approved By (Print Name)	Approved By (Signature)	Date	

share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

10/14/2021

<sup>1.</sup> All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

	BCP -	- Drilling	ACP .	- Drilling	Comp	o/Stim	Producti	on Equip	Post Con		Total
Description	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Co
Roads & Location	DIDC.100	150,000			STIM.100	10,000	CON.100	50,500	PCOM.100	7,000	217,50
Damages	DIDC.105	30,000					CON.105	3,000			33,00
Mud/Fluids Disposal	DIDC.255	67,000			STIM.255	80,000		5,000	PCOM.255	0	147,00
			DICC 120		311141.233	80,000			7 COM.233	0	
Day Rate	DIDC.115	387,000	DICC.120	90,000						-	477,00
Misc Preparation	DIDC.120	20,000									20,00
Bits	DIDC.125	90,000	DICC.125	0	STIM.125	0			PCOM.125	0	90,00
Fuel	DIDC.135	46,000	DICC.130	0					PCOM.130	0	46,00
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC.135	0	STIM.135	31,000			PCOM.135	0	36,00
Mud & Additives	DIDC.145					51,000				CONTRACTOR OF THE	200,00
	010C.143	200,000							00011357	477.500	
SWD PIPED TO 3RD PARTY SWD WELL									PCOM.257	177,600	177,60
Surface Rentals	DIDC.150	104,000	DICC.140	0	STIM.140	175,000	CON.140	2,875	PCOM.140	60,000	341,87
Downhole Rentals	DIDC.155	79,000			STIM.145	70,000			PCOM.145	0	149,00
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,00
Automation Labor							CON.150	59,375	PCOM.150	9,500	68,87
IPC & EXTERNAL PAINTING							CON.165			3,500	21,37
			1000				CON. 163	21,375			
Cementing & Float Equipment	DIDC.185	110,000	DICC.155	85,000							195,00
Tubular Inspections	DIDC.190	63,000	DICC.160	5,000	STIM.160	4,000			PCOM.160	0	72,00
Casing Crews	DIDC.195	10,000	DICC.165	20,000	STIM.165	0					30,00
Mechanical Labor	DIDC.200	28,000	DICC.170	10,000	STIM.170	0	CON.170	270,375	PCOM.170	0	308,37
	DIDC.205		DICC.175		STIM.175	4,000	CON.175	29,875	PCOM.175	0	59,87
Trucking/Transportation		18,000		8,000							
Supervision	DIDC.210	75,000	DICC.180	14,000	STIM.180	58,000	CON.180	29,625	PCOM.180	0	176,62
Trailer House/Camp/Catering	DIDC.280	43,000	DICC.255	7,000	STIM.280	30,000					80,00
Other Misc Expenses	DIDC.220	5,000	DICC.190	0	STIM.190	77,000	CON.190	37,750	PCOM.190	0	119,75
Overhead	DIDC.225	10,000	DICC.195	5,000							15,00
MOB/DEMOB	DIDC.240	100,000		2,000							100,00
										and the same of	
Directional Drilling Services	DIDC.245	431,000									431,00
Solids Control	DIDC.260	50,000									50,00
Well Control Equip (Snubbing Services)	DIDC.265	86,000	DICC.240	5,000	STIM.240	83,000			PCOM.240	0	174,00
Completion Rig					STIM.115	21,000			PCOM.115	0	21,00
Coil Tubing Services					STIM.260	250,000			PCOM.260	0	250,00
Completion Logging/Perforating/Wireline					STIM.200				PCOM.200	0	346,00
						346,000					
Composite Plugs					STIM.390	63,000			PCOM.390	0	63,00
Stimulation Pumping/Chemicals/Additives/Sand					STIM.210	3,162,000			PCOM.210	10,000	3,172,00
Stimulation Water/Water Transfer/Water Storage					STIM.395	358,000					358,00
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	72,500	132,50
Legal/Regulatory/Curative	DIDC.300	10,000				00,000	CON.300	0			10,00
Well Control Insurance	DIDC.285						20111000	0			
	DIDC.283	8,000								The state of the	8,00
FL/GL - ON PAD LABOR							CON.495	19,500			19,50
FL/GL - Labor							CON.500	39,125			39,12
FL/GL - Supervision							CON.505	23,625			23,62
Survey							CON.515	2,750			2,75
Contingency	DIDC.435	97,000	DICC.220	12,000	STIM.220	244,000	CON.220	159,750	PCOM.220	0	512,75
	DIDCASS	97,000	DICC.220	12,000	311141.220	244,000			PCOW.220	U	
Contingency							CON.221	12,500			12,50
Total Intangible Cos		2,322,000		261,000		5,126,000		762,000		366,600	8,837,60
Conductor Pipe	DWEB.130	7,000									7,00
Water String	DWEB.135	16,000									16,00
Surface Casing	DWEB.140	38,000									38,00
Intermediate Casing 1	DWEB.145										
	D 11 60. 143	307,000	DIVIE	200							307,00
Production Casing or Liner			DWEA.100	395,000							395,00
Tubing					STIMT.105	43,000			PCOMT.105	0	43,00
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT.120	10,000	104,00
Packer, Nipples					STIMT.400	28,000			PCOMT.400	0	28,00
PUMPS						20,000	CONT.385	27 625			
WALKOVERS								27,625			27,62
							CONT.390	15,000			15,00
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,00
N/C Lease Equipment							CONT.400	217,750			217,75
Tanks, Tanks Steps, Stairs							CONT.405	103,000			103,00
Battery Equipment							CONT.410	355,375			355,37
Secondary Containments											
							CONT.415	51,875			51,87
Overhead Power Distribution							CONT.420	85,625		111111111111111111111111111111111111111	85,62
Facility Electrical							CONT.425	78,125			78,12
Telecommunication Equipment							CONT.426	1,250			1,25
Meters and Metering Equipment							CONT.445				
								37,125			37,12
Facility Line Pipe			S I WEST				CONT.450	45,500			45,50
Lease Automation Materials							CONT.455	78,125			78,12
FL/GL - Materials							CONT.SSO	8,625			8,62
FL/GL - Line Pipe							CONT.555	33,125			33,12
								22,163			23,12
Total Tangible Cos	1	406,000		413,000		189,000		1,138,125		10,000	2,156,12

		BCP - Drilling			ACP - Drilling			Comp/Stim	
Description	Codes		Amount	Codes		Amount	Codes		Amou
Roads & Location	DIDC.100		150,000				STIM.100	CON.100	10,00
Damages	DIDC.105		30,000						
Mud/Fluids Disposal	DIDC.255		67,000				STIM.255		80,00
Day Rate	DIDC.115	DICC 120	387,000	DICC.120		90,000			
		DICC. 120		DICC.120		30,000			
Misc Preparation	DIDC.120		20,000				CTH 4 ADE		
Bits	DIDC.125	DICC.125	90,000	DICC.125	STIM.125	0	STIM.125		
Fuel	DIDC.135	DICC.130	46,000	DICC.130		0			
Water for Drilling Rig (Not Frac Water)	DIDC.140	DICC.135	5,000	DICC.135	STIM.135	0	STIM.135		31,00
Mud & Additives	DIDC.145		200,000						
SWD PIPED TO 3RD PARTY SWD WELL									
Surface Rentals	DIDC.150	DICC.140	104,000	DICC.140	STIM.140	0	STIM.140	CON.140	175,00
Downhole Rentals	DIDC.155	DICC.140		Diccirio	2111111110		STIM.145		70,00
	DIDC.133		79,000				STIM.141		
Flowback Labor							511M.141		
Automation Labor									
IPC & EXTERNAL PAINTING									
Cementing & Float Equipment	DIDC.185	DICC.155	110,000	DICC.155		85,000			
Tubular Inspections	DIDC.190	DICC.160	63,000	DICC.160	STIM.160	5,000	STIM.160		4,000
Casing Crews	DIDC.195	DICC.165	10,000	DICC.165	STIM.165	20,000	STIM.165		1,00
							STIM.170	CON.170	
Mechanical Labor	DIDC.200	DICC.170	28,000	DICC.170	STIM.170	10,000			
Trucking/Transportation	DIDC.205	DICC.175	18,000		STIM.175	8,000	STIM.175	CON.175	4,00
Supervision	DIDC.210	DICC.180	75,000	DICC.180	STIM.180	14,000	STIM.180	CON.180	58,00
Trailer House/Camp/Catering	DIDC.280	DICC.255	43,000	DICC.255	STIM.280	7,000	STIM.280		30,00
Other Misc Expenses	DIDC.220	DICC.190	5,000	DICC.190	STIM.190	0	STIM.190	CON.190	77,00
Overhead	DIDC.225	DICC.195	10,000	DICC.195		5,000			
MOB/DEMOB	DIDC.240			2.00.100		5,000			
			100,000						
Directional Drilling Services	DIDC.245		431,000						
Solids Control	DIDC.260		50,000						
Well Control Equip (Snubbing Services)	DIDC.265	DICC.240	86,000	DICC.240	STIM.240	5,000	STIM.240		83,00
Completion Rig							STIM.115		21,00
Coil Tubing Services							STIM.260		250,00
Completion Logging/Perforating/Wireline							STIM.200		346,00
							STIM.390		The second second
Composite Plugs									63,00
Stimulation							STIM.210		3,162,00
Stimulation Water/Water Transfer/Water							STIM.395		358,00
Cimarex Owned Frac/Rental Equipment							STIM.305		60,00
Legal/Regulatory/Curative	DIDC.300		10,000						
Well Control Insurance	DIDC.285		8,000						
FL/GL - ON PAD LABOR	0100.000		0,000						
FL/GL - Labor									
FL/GL - Supervision									
Survey									
Contingency	DIDC.435	DICC.220	97,000	DICC.220	STIM.220	12,000	STIM.220	CON.220	244,00
Contingency									
Total Intangible Cos			2,322,000			261,000			5,126,00
		CONTRACTOR OF THE PROPERTY OF THE PARTY OF T				201,000			3,120,00
Conductor Pipe	DWEB.130		7,000						
Water String	DWEB.135		16,000						
Surface Casing	DWEB.140		38,000						
Intermediate Casing 1	DWEB.145		307,000						
Production Casing or Liner				DWEA.100		395,000			
Tubing							STIMT.105		43,00
Wellhead, Tree, Chokes	DWFR 115	DWEA.120	20,000	DWFA 120	STIMT.120	19 000	STIMT.120		
	D 10 E D. 1 13	U-74A.16V	38,000	DVVEM. 120	J111Y(1.14V	18,000			38,00
Packer, Nipples							STIMT.400		28,00
PUMPS									
WALKOVERS									
Downhole Lift Equipment							STIMT.410		80,00
N/C Lease Equipment									
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment									
Facility Line Pipe									
Lease Automation Materials									
FL/GL - Materials									
FL/GL - Line Pipe									
Total Tangible Cos			406,000			413,000			189,00

		Production Equip			Post Completion		Total
Description	Codes		Amount	Codes		Amount	Co
Roads & Location	CON.100		50,500	PCOM.100	Road Repair	7,000	217,5
Damages	CON.105		3,000				33,0
Mud/Fluids Disposal			3,000	PCOM.255		0	147,0
				1 CONTESS			
Day Rate							477,0
Misc Preparation							20,0
Bits				PCOM.125		0	90,0
Fuel				PCOM.130		0	46,0
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	36,0
Mud & Additives							200,0
					1000 NUMB ( 2	177 500	
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	4000 BWPD for 2 months to BBR @ \$0.74/bbl	177,600	177,6
Surface Rentals	CON.140		2,875	PCOM.140	\$1,500/d for 40 days	60,000	341,8
Downhole Rentals				PCOM.145		0	149,0
Flowback Labor				PCOM.141	\$2,000/d for 15 days	30,000	30,0
Automation Labor	CON.150		59,375	PCOM.150	Sand Separator Hookup	9,500	68,8
PC & EXTERNAL PAINTING	CON.165					3,500	21,3
	CON. 163		21,375				
Cementing & Float Equipment							195,0
Fubular Inspections				PCOM.160		0	72,0
Casing Crews							30,0
Mechanical Labor	CON.170		270,375	PCOM.170		0	308,3
	CON.175			PCOM.175		0	59,8
Frucking/Transportation			29,875				
Supervision	CON.180		29,625	PCOM.180		0	176,6
Trailer House/Camp/Catering							80,0
Other Misc Expenses	CON.190		37,750	PCOM.190		0	119,
Overhead							15,0
MOB/DEMOB							100,0
Directional Drilling Services							431,0
Solids Control							50,0
Well Control Equip (Snubbing Services)				PCOM.240		0	174,0
Completion Rig				PCOM.115		0	21,0
Coil Tubing Services				PCOM.260		0	250,
Completion Logging/Perforating/Wireline				PCOM.200		0	346,0
Composite Plugs				PCOM.390		0	63,0
Stimulation Pumping/Chemicals/Additives/Sand				PCOM.210	Initial Chem Install	10,000	3,172,0
Stimulation Water/Water Transfer/Water Storage							358,0
Cimarex Owned Frac/Rental Equipment				PCOM.305	XEC Owned Spherical Plus Iron	72,500	132,5
	CONTRO			1 40111.303	nac office spricines has non	12,500	
Legal/Regulatory/Curative	CON.300		0				10,0
Well Control Insurance							8,0
FL/GL - ON PAD LABOR	CON.495		19,500				19,5
FL/GL - Labor	CON.500		39,125				39,
FL/GL - Supervision	CON.505		23,625				23,6
	CON.515						
Survey			2,750				2,7
Contingency	CON.220		159,750	PCOM.220		0	512,7
Contingency	CON.221		12,500				12,5
Total Intangible Cost			762,000			366,600	8,837,
Conductor Pipe	**********************		, 52,000	haireneessa seessa sees	######################################		7,1
Water String							16,0
Surface Casing							38,0
ntermediate Casing 1							307,0
Production Casing or Liner							395,0
Tubing				PCOMT.105		0	43,0
Wellhead, Tree, Chokes					Welded Hairpin		
						10,000	104,0
Packer, Nipples				PCOMT.400		0	28,0
PUMPS	CONT.385		27,625				27,
WALKOVERS	CONT.390		15,000				15,1
Downhole Lift Equipment				PCOMT.410		0	80,
N/C Lease Equipment	CONT.400		217.750	- CO.MT410		U	
			217,750				217,
anks, Tanks Steps, Stairs	CONT.405		103,000				103,
lattery Equipment	CONT.410		355,375				355,
	CONT.415		51,875				51,
	CONT.420		85,625				85,
econdary Containments							
econdary Containments Overhead Power Distribution							78,
econdary Containments Overhead Power Distribution acility Electrical	CONT.425		78,125				
econdary Containments Overhead Power Distribution acility Electrical elecommunication Equipment	CONT.425 CONT.426		1,250				1,
econdary Containments Overhead Power Distribution acility Electrical elecommunication Equipment	CONT.425						
econdary Containments Overhead Power Distribution acility Electrical elecommunication Equipment Meters and Metering Equipment	CONT.425 CONT.426		1,250 37,125				37,
econdary Containments Overhead Power Distribution acility Electrical elecommunication Equipment deters and Metering Equipment acility Line Pipe	CONT.425 CONT.426 CONT.445 CONT.450		1,250 37,125 45,500				1, 37, 45,
econdary Containments  Derhead Power Distribution  acility Electrical  deters and Metering Equipment  deters and Metering Equipment  acility Line Pipe  ease Automation Materials	CONT.425 CONT.426 CONT.445 CONT.450 CONT.455		1,250 37,125 45,500 78,125				37, 45, 78,
econdary Containments  byerhead Power Distribution  acility Electrical  elecommunication Equipment  deters and Metering Equipment  acility Line Pipe	CONT.425 CONT.426 CONT.445 CONT.450		1,250 37,125 45,500				37, 45,

1,900,125

376,600 10,993,725

**Total Estimated Cost** 

Company Entity

AFE # 26822024

Date Prepared

				10/14/2021
exploration Region Permian Basin	Well Name WHITE CITY 8-17-20 FED COM 20H	Prospect Carlsbad Bone Spring Prospec	Property Number	AFE 26822024
County, State Eddy, NM	Location E2E2 Sections 8, 17 and 20, Township Eddy County, NM	25 South, Range 27 East,	Estimated Spud 9/20/2022	Estimated Completio
X New Supplement Revision	Formation Wolfcamp	Well Type <b>DEV</b>	Ttl Measured Depth 25,200	Ttl Vetical Depth 9,120

Drill and complete well Purpose

Description

Drilling Drill 3-mile lower WC

Dry Hole	After Casing Point	Completed Well Cost
\$2,486,000		\$2,486,000
	\$6,680,600	\$6,680,600
\$2,486,000	\$6,680,600	\$9,166,600
Dry Hole	After Casing Point	Completed Well Cost
\$406,000	\$612,000	\$1,018,000
	\$1,251,938	\$1,251,938
\$406,000	\$1,863,938	\$2,269,938
\$2,892,000	\$8,544,538	\$11,436,538
	\$2,486,000 \$2,486,000 Dry Hole \$406,000	\$2,486,000 \$6,680,600 \$2,486,000 \$1,251,938 \$406,000 \$1,863,938

### Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

### Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

# Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

### Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Company	Approved By (Print Name)	Approved By (Signature)	Date

share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

10/14/2021

		- Drilling	ACP -	- Drilling		p/Stim		ion Equip	Post Con		Total
Description	Codes	Amount	Codes	Amount		Amount		Amount	Codes	Amount	Co
Roads & Location	DIDC.100	150,000			STIM.100	10,000	CON.100	55,550	PCOM.100	7,000	222,55
Damages	DIDC.105	30,000					CON.105	3,300			33,30
Mud/Fluids Disposal	DIDC.255	67,000			STIM.255	80,000			PCOM.255	0	147,00
Day Rate	DIDC.115	417,000	DICC.120	90,000							507,00
	DIDC.120	20,000		30,000						100000000000000000000000000000000000000	20,00
Misc Preparation			D. C.C. 4 D.F.		CT11.4.00F				PCOM.125		
Bits	DIDC.125	90,000	DICC.125	0	STIM.125	0				0	90,00
Fuel	DIDC.135	48,000	DICC.130	0					PCOM.130	0	48,00
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC.135	0	STIM.135	31,000			PCOM.135	0	36,00
Mud & Additives	DIDC.145	200,000									200,00
SWD PIPED TO 3RD PARTY SWD WELL									PCOM.257	266,400	266,40
Surface Rentals	DIDC.150	109,000	DICC.140	0	STIM.140	175,000	CON.140	3,163	PCOM.140	60,000	347,16
	DIDC.155		DICC.1-10	0	STIM.145		20111110	3,103	PCOM.145	00,000	150,00
Downhole Rentals	DIDC. 133	80,000				70,000					
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,00
Automation Labor							CON.150	65,313	PCOM.150	9,500	74,81
IPC & EXTERNAL PAINTING							CON.165	23,513			23,51
Cementing & Float Equipment	DIDC.185	110,000	DICC.155	85,000							195,00
Tubular Inspections	DIDC.190	63,000	DICC.160	5,000	STIM.160	4,000			PCOM.160	0	72,00
									1 40 111100	0	
Casing Crews	DIDC.195	10,000	DICC.165	20,000	STIM.165	0	601:17		0001:170		30,00
Mechanical Labor	DIDC.200	28,000	DICC.170	10,000	STIM.170	0		297,413	PCOM.170	0	335,41
Trucking/Transportation	DIDC 205	18,000	DICC.175	8,000	STIM.175	4,000	CON.175	32,863	PCOM.175	0	62,86
Supervision	DIDC.210	80,000	DICC.180	14,000	STIM.180	58,000	CON.180	32,588	PCOM.180	0	184,58
Trailer House/Camp/Catering	DIDC 280	46,000	DICC.255	7,000	STIM.280	30,000					83,00
Other Misc Expenses	DIDC 220	5,000	DICC.190	0	STIM.190	77,000	CON.190	41,525	PCOM.190	0	123,52
	DIDC.225		DICC.195		21.101.100	11,000	20,1,100	41,525		U	
Overhead MOR OF MOR		10,000	DICC. 193	5,000						Control of the last	15,00
MOB/DEMOB	DIDC 240	100,000									100,00
Directional Drilling Services	DIDC.245	533,000									533,00
Solids Control	DIDC 260	53,000									53,00
Well Control Equip (Snubbing Services)	DIDC.265	92,000	DICC.240	5,000	STIM.240	83,000			PCOM.240	0	180,00
Completion Rig					STIM.115	21,000			PCOM.115	0	21,00
					STIM.260				PCOM.260		
Coil Tubing Services						250,000				0	250,00
Completion Logging/Perforating/Wireline					STIM.200	346,000			PCOM.200	0	346,00
Composite Plugs					STIM.390	63,000			PCOM.390	0	63,00
Stimulation Pumping/Chemicals/Additives/Sand					STIM.210	3,162,000			PCOM.210	10,000	3,172,00
Stimulation Water/Water Transfer/Water Storage					STIM.395	358,000					358,00
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	72,500	132,50
Legal/Regulatory/Curative	DIDC.300	10,000			311101.303	60,000	CON.300	0	, COM.303	12,300	
		10,000					CON.300	0			10,00
Well Control Insurance	DIDC 285	8,000									8,00
FL/GL - ON PAD LABOR							CON.495	21,450			21,45
FL/GL - Labor							CON.500	43,038			43,03
FL/GL - Supervision							CON.505	25,988			25,98
Survey							CON.515	3,025		The same of	
Contingency	DIDC 435	101000	DICC.220	40.000	CTII 4 220				D.C		3,02
	DIDC 433	104,000	DICC.220	12,000	STIM.220	244,000	CON.220	175,725	PCOM.220	0	535,72
Contingency							CON.221	13,750			13,750
Total Intangible Cost		2,486,000		261,000		5,126,000		838,200		455,400	9,166,60
Conductor Pipe	DWEB.130	7,000									7,000
Water String	DWEB.135	16,000									16,00
Surface Casing	DWEB.140	38,000									
Intermediate Casing 1	DWEB.145										38,00
Production Casing or Liner	D 11 LD. 143	307,000	DIAGO 44								307,00
			DWEA.100	395,000							395,000
Tubing					STIMT.105	43,000			PCOMT.105	0	43,000
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT.120	10,000	104,000
Packer, Nipples					STIMT.400	28,000			PCOMT.400	0	28,000
PUMPS						20,000	CONT.385	30 300		O .	
WALKOVERS								30,388			30,38
Downhole Lift Equipment					C711 47		CONT.390	16,500		Contract of the last	16,500
					STIMT.410	80,000			PCOMT.410	0	80,000
N/C Lease Equipment							CONT.400	239,525			239,525
Tanks, Tanks Steps, Stairs							CONT.405	113,300			113,300
Battery Equipment							CONT.410	390,913			390,913
Secondary Containments							CONT.415	57,063			
Overhead Power Distribution							CONT.420				57,06
Facility Electrical								94,188			94,188
							CONT.425	85,938			85,938
Telecommunication Equipment							CONT.426	1,375			1,375
Meters and Metering Equipment							CONT.445	40,838			40,838
Facility Line Pipe							CONT.450	50,050		1000	50,050
Lease Automation Materials							CONT.455			SE REAL PROPERTY.	
FL/GL - Materials								85,938			85,938
							CONT.550	9,488			9,488
FL/GL - Line Pipe							CONT.555	36,438			36,438
Total Tangible Cos		406,000		413,000		189,000		1,251,938		10,000	2,269,938

		BCP - Drilling			ACP - Drilling			Comp/Stim	
Description	Codes		Amount	Codes		Amount	Codes		Amour
Roads & Location	DIDC.100		150,000				STIM.100	CON.100	10,00
Damages	DIDC.105		30,000						
Mud/Fluids Disposal	DIDC.255		67,000				STIM.255		80,00
Day Rate	DIDC.115	DICC 130		DICC.120		90,000			00,00
		DICC. 120	417,000	DICC. 120		90,000			
Misc Preparation	DIDC.120		20,000						
Bits		DICC.125	90,000	DICC.125	STIM.125	0	STIM.125		
Fuel	DIDC.135	DICC.130	48,000	DICC.130		0			
Water for Drilling Rig (Not Frac Water)	DIDC.140	DICC.13S	5,000	DICC.135	STIM.135	0	STIM.135		31,00
Mud & Additives	DIDC.145		200,000						
SWD PIPED TO 3RD PARTY SWD WELL									
Surface Rentals	DIDC.150	DICC.140	109,000	DICC.140	STIM.140	0	STIM.140	CON.140	175,00
Downhole Rentals	DIDC.155		80,000				STIM.145		70,00
	DIDC.133		80,000				STIM.141		70,00
Flowback Labor							3(110), (4)		
Automation Labor									
IPC & EXTERNAL PAINTING									
Cementing & Float Equipment	DIDC.185	DICC.155	110,000	DICC.155		85,000			
Tubular Inspections	DIDC.190	DICC.160	63,000	DICC.160	STIM.160	5,000	STIM.160		4,000
Casing Crews		DICC.165	10,000	DICC.165	STIM.165	20,000	STIM.165		
Mechanical Labor		DICC.170	28,000		STIM.170	10,000	STIM.170	CON.170	A STATE OF
Trucking/Transportation		DICC.175	18,000		STIM.175	8,000	STIM,175	CON.175	4,00
					STIM.180		STIM.180	CON.180	
Supervision		DICC.180	80,000			14,000		CON. 100	58,00
Trailer House/Camp/Catering		DICC.255	46,000		STIM.280	7,000	STIM.280	5011400	30,00
Other Misc Expenses	DIDC.220	DICC.190	5,000	DICC.190	STIM.190	0	STIM.190	CON.190	77,00
Overhead	DIDC.225	DICC.195	10,000	DICC.195		5,000			
MOB/DEMOB	DIDC.240		100,000						
Directional Drilling Services	DIDC.245		533,000						
Solids Control	DIDC.260		53,000						
Well Control Equip (Snubbing Services)	DIDC.265	DICC.240		DICC.240	STIM.240	5,000	STIM.240		83,000
	DIDC.203	DICC.240	92,000	DICC.240	311101,240	3,000	STIM.115		
Completion Rig									21,00
Coil Tubing Services							STIM.260		250,000
Completion Logging/Perforating/Wireline							STIM.200		346,000
Composite Plugs							STIM.390		63,000
Stimulation							STIM.210		3,162,000
Stimulation Water/Water Transfer/Water							STIM.395		358,000
Cimarex Owned Frac/Rental Equipment							STIM.305		60,000
Legal/Regulatory/Curative	DIDC.300		10,000						00,00
			10,000						
Well Control Insurance	DIDC.285		8,000						
FL/GL - ON PAD LABOR									
FL/GL - Labor									
FL/GL - Supervision									
Survey									
Contingency	DIDC.435	DICC.220	104,000	DICC.220	STIM.220	12,000	STIM.220	CON.220	244,000
Contingency									
Total Intangible Cost			2,486,000			261,000			5,126,000
		-		-		201,000			3,120,000
Conductor Pipe	DWEB.130		7,000						
Water String	DWEB.135		16,000						
Surface Casing	DWEB.140		38,000						
Intermediate Casing 1	DWEB.145		307,000						
Production Casing or Liner				DWEA.100		395,000			
Tubing							STIMT.105		43,000
Wellhead, Tree, Chokes	DWEB.115	DWEA.120	38,000	DWEA.120	STIMT.120	18,000	STIMT.120		38,000
Packer, Nipples	211		30,000	1		10,000	STIMT.400		28,000
PUMPS							311111,400		20,000
WALKOVERS									
Downhole Lift Equipment							STIMT.410		80,000
N/C Lease Equipment									
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution						1			
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment									
Facility Line Pipe									
Lease Automation Materials									
FL/GL - Materials									
FL/GL - Line Pipe									
			406,000						189,00
Total Tangible Cos						413,000			

		Production Equip			Post Completion		Total
Description	Codes		Amount	Codes		Amount	Co
Roads & Location	CON.100		55,550	PCOM.100	Road Repair	7,000	222,55
Damages	CON.105		3,300				33,30
Mud/Fluids Disposal				PCOM.255		0	147,00
Day Rate				NO CONTRACTOR			507,00
Misc Preparation							20,00
Bits				PCOM.125		0	90,00
Fuel				PCOM.130		0	48,00
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	36,00
Mud & Additives						No. of Lot	200,00
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	6000 BWPD for 2 months to BBR @ \$0.74/bbl	266 400	
	CONTAIN					266,400	266,40
Surface Rentals	CON.140		3,163	PCOM.140	\$1,500/d for 40 days	60,000	347,16
Downhole Rentals				PCOM.145		0	150,00
Flowback Labor				PCOM.141	\$2,000/d for 15 days	30,000	30,00
Automation Labor	CON.150		65,313	PCOM.150	Sand Separator Hookup	9,500	74,81
IPC & EXTERNAL PAINTING	CON.165		23,513			FOR FOR STATE	23,51
Cementing & Float Equipment			23,313				
							195,00
Tubular Inspections				PCOM.160		0	72,00
Casing Crews						-	30,00
Mechanical Labor	CON.170	2	297,413	PCOM.170		0	335,41
Trucking/Transportation	CON.175		32,863	PCOM.175		0	62,86
	CON.180						
Supervision	CON.180		32,588	PCOM.180		0	184,58
Trailer House/Camp/Catering							83,00
Other Misc Expenses	CON.190		41,525	PCOM.190		0	123,52
Overhead							15,00
MOB/DEMOB							100,00
Directional Drilling Services							533,00
Solids Control						LINE OF	53,00
Well Control Equip (Snubbing Services)				PCOM.240		0	180,00
Completion Rig				PCOM.115		0	21,00
Coil Tubing Services				PCOM.260		0	250,00
Completion Logging/Perforating/Wireline				PCOM.200		0	346,00
Composite Plugs				PCOM.390			
						0	63,00
Stimulation Pumping/Chemicals/Additives/Sand				PCOM.210	Initial Chem Install	10,000	3,172,00
Stimulation Water/Water Transfer/Water Storage						- 1	358,00
Cimarex Owned Frac/Rental Equipment				PCOM.305	XEC Owned Spherical Plus Iron	72,500	132,50
Legal/Regulatory/Curative	CON.300		0				10,00
Well Control Insurance			-			Charles Street	8,00
FL/GL - ON PAD LABOR	CON.495		24 450				
			21,450			1	21,45
FL/GL - Labor	CON.500		43,038				43,03
FL/GL - Supervision	CON.505		25,988			1	25,98
Survey	CON.515		3,025				3,02
Contingency	CON.220	1	75,725	PCOM.220		0	535,72
Contingency	CON.221		13,750			· ·	
Total Intangible Cost					l		13,75
	\$5000 00000 (4.15 COLUMN 2.25		838,200			455,400	9,166,60
Conductor Pipe							7,00
Water String							16,00
Surface Casing							38,00
Intermediate Casing 1						-	307,00
Production Casing or Liner							
Tubing				DCOL TO 11			395,00
				PCOMT.105		0	43,00
Wellhead, Tree, Chokes				PCOMT.120	Welded Hairpin	10,000	104,000
Packer, Nipples				PCOMT.400		0	28,000
PUMPS	CONT.385		30,388				30,38
WALKOVERS	CONT.390						
Downhole Lift Equipment	_5.11.550		16,500	DCOL .T			16,500
				PCOMT.410		0	80,000
N/C Lease Equipment	CONT.400	2	39,525				239,525
Tanks, Tanks Steps, Stairs	CONT.405	1	13,300				113,300
Battery Equipment	CONT.410		90,913				390,913
Secondary Containments	CONT.415		57,063				
Overhead Power Distribution							57,06
	CONT.420		94,188			No.	94,188
Facility Electrical	CONT.425		85,938				85,938
Telecommunication Equipment	CONT.426		1,375			N COLUMN	1,375
Meters and Metering Equipment	CONT.445		40,838				40,838
Facility Line Pipe	CONT.450						
Lease Automation Materials			50,050			State of the last	50,05
	CONT.455		85,938				85,93
FL/GL - Materials	CONT.550		9,488				9,488
FL/GL - Line Pipe	CONT.555		36,438				36,438
Total Tangible Cos			251,938			10,000	2,269,938
Total Tangible Cos							

Company Entity Date Prepared 10/14/2021 **Exploration Region** Well Name Prospect Property Number AFE Permian Basin WHITE CITY 8-17-20 FED COM 21H Carlsbad Bone Spring Prospect 300001-210.01 26822025 County, State Location Estimated Spud **Estimated Completion** Eddy, NM Middle Point of the E2 Sections 8, 17 and 20, Township 25 10/5/2022 South, Range 27 East, Eddy County, NM X New Formation Well Type Ttl Measured Depth Ttl Vetical Depth Supplement Wolfcamp SW 25,200 9,120 Revision

Purpose Drill and complete well

Description

Drilling Drill 3-mile lower WC

Intangible	Dry Hole	After Casing Point	Completed Well Cost
Drilling Costs	\$2,486,000		\$2,486,000
Completion Costs		\$6,680,600	\$6,680,600
Total Intangible Cost	\$2,486,000	\$6,680,600	\$9,166,600
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$406,000	\$612,000	\$1,018,000
Lease Equipment		\$1,251,938	\$1,251,938
Total Tangible Cost	\$406,000	\$1,863,938	\$2,269,938
Total Well Cost	\$2,892,000	\$8,544,538	\$11,436,538

#### Comments On Well Costs

# Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

# Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

l e	lect t	o tak	ce my	gas i	in l	cind.
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I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

### Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Company	Approved By (Print Name)	Approved By (Signature)	Date
OTICE TO NONOPERATOR: Co.	ts shown on this form are estimates only. By executing	this AFE, the consenting party agrees to pay its proportionate	10/14/

<sup>1.</sup> All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

Received by OCD: 3/16/2022 10:49:32 AM

CINIARIE

Authorization For Expenditure - WHITE CITY 8-17-20 FED COM

	BCP -	- Drilling	ACP .	- Drilling	Com	p/Stim	Produc	tion Equip	Post Con	npletion	Total
Description	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Cos
Roads & Location	DIDC.100	150,000			STIM.100	10,000	CON.100	55,550	PCOM.100	7,000	222,55
Damages	DIDC.105	30,000					CON.105	3,300			33,30
Mud/Fluids Disposal	DIDC 255	67,000			STIM.255	80,000			PCOM.255	0	147,000
Day Rate	DIDC.115	417,000	DICC.120	90,000		00,000					507,000
	DIDC 120		DICC. IEU	30,000							
Misc Preparation		20,000									20,000
Bits	DIDC 125	90,000	DICC.125	0	STIM.125	0			PCOM.125	0	90,000
Fuel	DIDC.135	48,000	DICC.130	0					PCOM.130	0	48,000
Water for Drilling Rig (Not Frac Water)	DIDC 140	5,000	DICC.135	0	STIM.135	31,000			PCOM.135	0	36,000
Mud & Additives	DIDC.145	200,000									200,000
SWD PIPED TO 3RD PARTY SWD WELL									PCOM.257	266,400	266,400
Surface Rentals	DIDC.150	109,000	DICC.140	0	STIM.140	175,000	CON.140	3,163	PCOM.140	60,000	
	DIDC.155		DICC.140	0			CO14.140	3,103		The state of the s	347,163
Downhole Rentals	DIDC. 155	80,000			STIM.145	70,000			PCOM.145	0	150,000
Flowback Labor					STIM.141	0			PCOM.141	30,000	30,000
Automation Labor							CON.150	65,313	PCOM.150	9,500	74,813
IPC & EXTERNAL PAINTING							CON.165	23,513			23,513
Cementing & Float Equipment	DIDC.185	110,000	DICC.155	85,000							195,000
Tubular Inspections	DIDC.190	63,000	DICC.160	5,000	STIM.160	4,000			PCOM.160	0	72,000
	DIDC.195								7 40111.700	0	
Casing Crews		10,000	DICC.165	20,000	STIM.165	0	CONTRA	200	00011170		30,000
Mechanical Labor	DIDC.200	28,000	DICC.170	10,000	STIM.170	0	CON.170	297,413	PCOM.170	0	335,413
Trucking/Transportation	DIDC.205	18,000	DICC.175	8,000	STIM.175	4,000	CON.175	32,863	PCOM.175	0	62,863
Supervision	DIDC.210	80,000	DICC.180	14,000	STIM.180	58,000	CON.180	32,588	PCOM.180	0	184,588
Trailer House/Camp/Catering	DIDC.280	46,000	DICC.255	7,000	STIM.280	30,000					83,000
Other Misc Expenses	DIDC.220	5,000	DICC.190	0	STIM.190	77,000	CON.190	41,525	PCOM.190	0	123,525
Overhead	DIDC.225	10,000	DICC.195			, 1,000		+1,525		· ·	15,000
			DICC. 193	5,000							
MOB/DEMOB	DIDC.240	100,000								2000	100,000
Directional Drilling Services	DIDC.245	533,000									533,000
Solids Control	DIDC.260	53,000									53,000
Well Control Equip (Snubbing Services)	DIDC.265	92,000	DICC.240	5,000	STIM.240	83,000			PCOM.240	0	180,000
Completion Rig					STIM.115	21,000			PCOM.115	0	21,000
Coil Tubing Services					STIM.260	250,000			PCOM.260	0	250,000
Completion Logging/Perforating/Wireline					STIM.200	346,000			PCOM.200	0	346,000
Composite Plugs					STIM.390	63,000			PCOM.390	0	63,000
Stimulation Pumping/Chemicals/Additives/Sand					STIM.210	3,162,000			PCOM.210	10,000	3,172,000
Stimulation Water/Water Transfer/Water Storage					STIM.395	358,000					358,000
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	72,500	132,500
Legal/Regulatory/Curative	DIDC.300	10,000				00,000	CON.300	0		72,500	10,000
Well Control Insurance	DIDC 285						2014.500	U			
	DIDC.283	8,000									8,000
FL/GL - ON PAD LABOR							CON.495	21,450			21,450
FL/GL - Labor							CON.500	43,038			43,038
FL/GL - Supervision							CON.505	25,988			25,988
Survey							CON.515	3,025			3,025
Contingency	DIDC.435	104,000	DICC.220	12,000	STIM.220	244,000	CON.220	175,725	PCOM.220	0	
Contingency	DIDC. 155	104,000	DICCLES	12,000	311141.220	244,000			PCOW.220	U	535,725
							CON.221	13,750			13,750
Total Intangible Cost		2,486,000	and the second second	261,000		5,126,000		838,200		455,400	9,166,600
Conductor Pipe	DWEB.130	7,000									7,000
Water String	DWEB.135	16,000									16,000
Surface Casing	DWEB.140	38,000									38,000
Intermediate Casing 1	DWEB.145	307,000									307,000
Production Casing or Liner		237,000	DWEA.100	395,000							
Tubing			J., 100	293,000	CTIMAT 105	42.000			DCOLUT 405		395,000
	DUITE		DILLIE :		STIMT.105	43,000			PCOMT.105	0	43,000
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT.120	10,000	104,000
Packer, Nipples					STIMT.400	28,000			PCOMT.400	0	28,000
PUMPS							CONT.385	30,388			30,388
WAŁKOVERS							CONT.390	16,500			16,500
Downhole Lift Equipment					STIMT.410	80,000		10,500	PCOMT.410	0	
N/C Lease Equipment					J. HVI I. 410	80,000	CONT 100	322.50	-CON11.410	U	80,000
							CONT.400	239,525			239,525
Tanks, Tanks Steps, Stairs							CONT.405	113,300			113,300
Battery Equipment							CONT.410	390,913			390,913
Secondary Containments							CONT.415	57,063			57,063
Overhead Power Distribution							CONT.420	94,188			94,188
Facility Electrical							CONT.425	85,938			
Telecommunication Equipment											85,938
							CONT.426	1,375		AT THE REAL PROPERTY.	1,375
Meters and Metering Equipment							CONT.445	40,838			40,838
Facility Line Pipe							CONT.450	50,050			50,050
Lease Automation Materials							CONT.455	85,938			85,938
FL/GL - Materials							CONT.550	9,488			9,488
FL/GL - Line Pipe							CONT.555				
		406,000					COIV1.333	36,438			36,438
Total Tangible Cos				413,000		189,000		1,251,938		10,000	2,269,938

		BCP - Drilling			ACP - Drilling			Comp/Stim	
Description	Codes		Amount	Codes		Amount	Codes		Amou
Roads & Location	DIDC.100		150,000				STIM.100	CON.100	10,0
Damages	DIDC.105		30,000						
Mud/Fluids Disposal	DIDC.255		67,000				STIM.255		80,0
		DICC 120		0155 130		20.000	31111.233		80,0
Day Rate	DIDC.115	DICC.120	417,000	DICC.120		90,000			
Misc Preparation	DIDC.120		20,000						
Bits	DIDC.125	DICC.125	90,000	DICC.125	STIM.125	0	STIM.125		
Fuel	DIDC.135	DICC.130	48,000	DICC.130		0			
Water for Drilling Rig (Not Frac Water)	DIDC.140	DICC.135	5,000	DICC.135	STIM.135	0	STIM.135		31,0
Mud & Additives	DIDC.145								31,01
	DIDC. 143		200,000						
SWD PIPED TO 3RD PARTY SWD WELL									
Surface Rentals	DIDC.150	DICC.140	109,000	DICC.140	STIM.140	0	STIM.140	CON.140	175,0
Downhole Rentals	DIDC.155		80,000				STIM.145		70,0
Flowback Labor							STIM.141		
Automation Labor									
PC & EXTERNAL PAINTING									
Cementing & Float Equipment	DIDC.185	DICC.155	110,000	DICC.155		85,000			
Tubular Inspections	DIDC.190	DICC.160	63,000	DICC.160	STIM.160	5,000	STIM.160		4,0
Casing Crews	DIDC.195	DICC.165	10,000	DICC.165	STIM.165	20,000	STIM.165		
Mechanical Labor	DIDC.200	DICC.170	28,000	DICC.170	STIM.170	10,000	STIM.170	CON.170	
Trucking/Transportation	DIDC.205	DICC.175	18,000	DICC.175	STIM.175	8,000	STIM.175	CON.175	4,00
Supervision	DIDC.210		80,000	DICC.180	STIM.180	14,000	STIM.180	CON.180	58,0
Trailer House/Camp/Catering	DIDC.280	DICC.255	46,000	DICC.255	STIM.280	7,000	STIM.280		30,0
Other Misc Expenses	DIDC.220	DICC.190	5,000	DICC.190	STIM.190	0	STIM.190	CON.190	77,0
Overhead	DIDC.225	DICC.195	10,000	DICC.195		5,000			
MOB/DEMOB	DIDC.240		100,000						
Directional Drilling Services	DIDC.245								
A STATE OF THE STA			533,000						
Solids Control	DIDC.260		53,000						
Well Control Equip (Snubbing Services)	DIDC.265	DICC.240	92,000	DICC.240	STIM.240	5,000	STIM.240		83,0
Completion Rig							STIM.115		21,0
Coil Tubing Services							STIM.260		250,00
Completion Logging/Perforating/Wireline						10000	STIM.200		346,0
Composite Plugs							STIM.390		63,00
Stimulation							STIM.210		
									3,162,00
Stimulation Water/Water Transfer/Water							STIM.395		358,00
Cimarex Owned Frac/Rental Equipment							STIM.305		60,00
Legal/Regulatory/Curative	DIDC.300		10,000						
Well Control Insurance	DIDC.285		8,000						
FL/GL - ON PAD LABOR			9,000						
FL/GL - Labor									
FL/GL - Supervision									
Survey									
Contingency	DIDC.435	DICC.220	104,000	DICC.220	STIM.220	12,000	STIM.220	CON.220	244,00
Contingency									
Total Intangible Cos			2,486,000			261,000			E 13C 00
	DWEB.130					261,000			5,126,00
Conductor Pipe			7,000						
Vater String	DWEB.135		16,000						
Surface Casing	DWEB.140		38,000						
Intermediate Casing 1	DWEB.145		307,000						
Production Casing or Liner				DWEA.100		395,000			
Tubing				3		393,000	STIMT.105		40.00
	DIMERASE	DIAICA 100		DIME	CTIL AT 100				43,00
Wellhead, Tree, Chokes	DVVEB.T15	DWEA.120	38,000	DWEA.120	STIMT.120	18,000	STIMT.120		38,00
Packer, Nipples							STIMT.400		28,00
PUMPS									
WALKOVERS									
Downhole Lift Equipment							STIMT,410		00.00
N/C Lease Equipment							31 HW11,410		80,00
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
acility Electrical									
elecommunication Equipment									
Meters and Metering Equipment									
acility Line Pipe									
ease Automation Materials									
L/GL - Materials									
L/GL - Line Pipe									
Total Tangible Cos			406,000			413,000			189,0

		Production Equip			Post Completion		Total
Description	Codes		Amount	Codes		Amount	Co
Roads & Location	CON.100		55,550	PCOM.100	Road Repair	7,000	222,55
Damages	CON.105		3,300			7,000	33,30
Mud/Fluids Disposal	2011.103		3,300	PCOM.255		0	
				PCOIVI.255		0	147,00
Day Rate							507,00
Misc Preparation							20,00
Bits				PCOM.125		0	90,00
Fuel				PCOM.130		0	48,00
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	36,00
Mud & Additives						THE STREET	200,00
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	6000 BWPD for 2 months to BBR @ \$0.74/bbl	266,400	266,40
Surface Rentals	CON.140		0.450				
	CON.140		3,163	PCOM.140	\$1,500/d for 40 days	60,000	347,16
Downhole Rentals				PCOM.145		0	150,00
Flowback Labor				PCOM.141	\$2,000/d for 15 days	30,000	30,00
Automation Labor	CON.150		65,313	PCOM.150	Sand Separator Hookup	9,500	74,81
IPC & EXTERNAL PAINTING	CON.165		23,513			1.11	23,51
Cementing & Float Equipment							195,00
Tubular Inspections				PCOM.160		0	
				PCOW. 160		0	72,00
Casing Crews							30,00
Mechanical Labor	CON.170		297,413	PCOM.170		0	335,41
Trucking/Transportation	CON.175		32,863	PCOM.175		0	62,86
Supervision	CON.180		32,588	PCOM.180		0	184,58
Trailer House/Camp/Catering							83,00
Other Misc Expenses	CON.190		41 525	PCOM.190	A STATE OF THE STA	0	
	2014.130		41,525	1 CON. 190	The second secon	0	123,52
Overhead							15,00
MOB/DEMOB							100,00
Directional Drilling Services							533,00
Solids Control							53,00
Well Control Equip (Snubbing Services)				PCOM.240		0	180,000
Completion Rig				PCOM.115		0	
Coil Tubing Services							21,00
				PCOM.260		0	250,00
Completion Logging/Perforating/Wireline				PCOM.200		0	346,00
Composite Plugs				PCOM.390		0	63,00
Stimulation Pumping/Chemicals/Additives/Sand				PCOM.210	Initial Chem Install	10,000	3,172,000
Stimulation Water/Water Transfer/Water Storage							358,000
Cimarex Owned Frac/Rental Equipment				PCOM.305	XEC Owned Spherical Plus Iron	72,500	132,500
	CON.300			PCOIN.303	ACC Owned Spriencal Flus Iron	12,500	
Legal/Regulatory/Curative	CON.300		0				10,000
Well Control Insurance							8,000
FL/GL - ON PAD LABOR	CON.495		21,450			1	21,450
FL/GL - Labor	CON.500		43,038				43,03
FL/GL - Supervision	CON.505		25,988				25,98
Survey	CON.515		3,025				
Contingency	CON.220			DCO14 220			3,02
			175,725	PCOM.220		0	535,725
Contingency	CON.221		13,750				13,750
Total Intangible Cost			838,200			455,400	9,166,60
Conductor Pipe						1	7,000
Water String							16,000
Surface Casing							38,000
Intermediate Casing 1							
Production Casing or Liner							307,000
							395,000
Tubing				PCOMT.105		0	43,000
Wellhead, Tree, Chokes				PCOMT.120	Welded Hairpin	10,000	104,000
Packer, Nipples				PCOMT.400		0	28,000
PUMPS	CONT.385		30,388				30,388
WALKOVERS	CONT.390		16,500				
Downhole Lift Equipment			10,500	DCOLUT 445			16,500
	CONT 400			PCOMT.410		0	80,000
N/C Lease Equipment	CONT.400		239,525				239,525
Tanks, Tanks Steps, Stairs	CONT.405		113,300				113,300
Battery Equipment	CONT.410		390,913			100710	390,913
Secondary Containments	CONT.415		57,063				57,063
Overhead Power Distribution	CONT.420						
acility Electrical	CONT.425		94,188				94,188
			85,938				85,938
elecommunication Equipment	CONT.426		1,375				1,379
Meters and Metering Equipment	CONT.445		40,838				40,838
acility Line Pipe	CONT.450		50,050			A TOP OF	50,050
ease Automation Materials	CONT.455		85,938				85,938
L/GL - Materials	CONT.550		9,488				
							9,488
L/GL - Line Pipe							
L/GL - Line Pipe Total Tangible Cos	CONT.555		36,438 1,251,938			10,000	36,438 2,269,938

Date Prepared

			10/14/2021
Well Name WHITE CITY 8-17-20 FED COM 22H	Prospect  Carlsbad Bone Spring Prospec	Property Number 300001-211.01	AFE 26822026
Location Middle Point of Sections 8, 17 and 20 Range 27 East, Eddy County, NM	), Township 25 South,	Estimated Spud 10/19/2022	Estimated Completion
Formation Wolfcamp	Well Type DEV	tl Measured Depth 25,200	Ttl Vetical Depth 9,120
	WHITE CITY 8-17-20 FED COM 22H  Location  Middle Point of Sections 8, 17 and 20 Range 27 East, Eddy County, NM  Formation	WHITE CITY 8-17-20 FED COM 22H Carlsbad Bone Spring Prospect Location Middle Point of Sections 8, 17 and 20, Township 25 South, Range 27 East, Eddy County, NM  Formation Well Type T Wolfcamp DEV	WHITE CITY 8-17-20 FED COM 22H Carlsbad Bone Spring Prospect 300001-211.01  Location Estimated Spud Middle Point of Sections 8, 17 and 20, Township 25 South, Range 27 East, Eddy County, NM  Formation Well Type Ttl Measured Depth Wolfcamp DEV 25,200

Description

Drilling Drill 3-mile lower WC

Intangible	Dry Hole	After Casing Point	Completed Well Cost
		After Casing Form	
Drilling Costs	\$2,486,000		\$2,486,000
Completion Costs		\$6,680,600	\$6,680,600
Total Intangible Cost	\$2,486,000	\$6,680,600	\$9,166,600
Tangible	Dry Hole	After Casing Point	Completed Well Cost
Well Equipment	\$406,000	\$612,000	\$1,018,000
Lease Equipment		\$1,251,938	\$1,251,938
Total Tangible Cost	\$406,000	\$1,863,938	\$2,269,938
Total Well Cost	\$2,892,000	\$8,544,538	\$11,436,538

### Comments On Well Costs

1. All tubulars, well or lease equipment is priced by COPAS and CEPS guidelines using the Historic Price Multiplier.

### Well Control Insurance

Unless otherwise indicated below, you, as a non-operating working interest owner, agree to be covered by Operator's well control insurance procured by Operator so long as Operator conducts operations hereunder and to pay your prorated share of the premiums therefore. If you elect to purchase your own well control insurance, you must provide a certificate of such insurance acceptable to Operator, as to form and limits, at the time this AFE is returned, if available, but in no event later than commencement of drilling operations. You agree that failure to provide the certificate of insurance, as provided herein, will result in your being covered by insurance procured by Operator.

I elect to purchase my own well control insurance policy.

### Marketing Election

Cimarex sells its gas under arm's-length contracts with third party purchasers. Such contracts may include fees. In addition, penalties may be incurred for insufficient volumes delivered over time. Should you choose to market your share of gas with Cimarex, you will be subject to all of the terms of such contracts. Upon written request to Cimarex's Marketing Department, we will share with you the terms and conditions pursuant to which gas will be sold. Failure to make an election below shall be deemed an election to market your gas with Cimarex under the terms and conditions set forth above.

I elect to take my gas in kind.

I elect to market my gas with Cimarex pursuant to the terms and conditions of its contract.

### Comments on AFE

The above costs are estimates only and anticipate trouble free operations without any foreseeable change in plans. The actual costs may exceed the estimated costs without affecting the authorization for expenditure herein granted. By approval of this AFE, the working interest owner agrees to pay its proportionate share of actual legal, curative, regulatory and well costs under term of the joint operating agreement, regulatory order or other applicable agreement covering this well.

Company	Approved By (Print Name)	Approved By (Signature)	Date	

share of actual costs incurred. Overhead will be charged in accordance with the Joint Operating Agreement.

10/14/2021

	BCP -	Drilling	ACP .	- Drilling	Com	p/Stim	Product	ion Equip	Post Con	20 xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	Total
Description	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Codes	Amount	Cos
Roads & Location	DIDC.100	150,000			STIM.100	10,000	CON.100	55,550	PCOM.100	7,000	222,55
Damages	DIDC.105	30,000					CON.105	3,300			33,30
Mud/Fluids Disposal	DIDC.255	67,000			STIM.255	80,000			PCOM.255	0	147,00
Day Rate	DIDC.115	417,000	DICC.120	90,000							507,00
Misc Preparation	DIDC 120	20,000		30,000						OUT DO NOT THE OWNER.	20,000
Bits	DIDC.125		DICC.125		STIM.125	0			PCOM.125		
		90,000		0	311101.123	U				0	90,00
Fuel	DIDC.135	48,000	DICC.130	0					PCOM.130	0	48,000
Water for Drilling Rig (Not Frac Water)	DIDC.140	5,000	DICC.135	0	STIM.135	31,000			PCOM.135	0	36,000
Mud & Additives	DIDC.145	200,000									200,000
SWD PIPED TO 3RD PARTY SWD WELL									PCOM.257	266,400	266,400
Surface Rentals	DIDC.150	109,000	DICC.140	0	STIM.140	175,000	CON.140	3,163	PCOM.140	60,000	347.163
Downhole Rentals	DIDC.155	80,000		0	STIM.145			3,103	PCOM.145	0	150,000
	DIDC.133	60,000				70,000			PCOM.141		
Flowback Labor					STIM.141	0				30,000	30,000
Automation Labor							CON.150	65,313	PCOM.150	9,500	74,813
IPC & EXTERNAL PAINTING							CON.165	23,513			23,513
Cementing & Float Equipment	DIDC.185	110,000	DICC.155	85,000							195,000
Tubular Inspections	DIDC.190	63,000	DICC.160	5,000	STIM.160	4,000			PCOM.160	0	72,000
Casing Crews	DIDC.195	10,000	DICC.165	20,000	STIM.165	0					30,000
Mechanical Labor	DIDC.200		DICC.170	10,000	STIM.170		CON.170	297,413	PCOM.170	0	335,413
		28,000				0				1000	
Trucking/Transportation	DIDC.205	18,000	DICC.175	8,000	STIM.175	4,000	CON.175	32,863	PCOM.175	0	62,863
Supervision	DIDC.210	80,000	DICC.180	14,000	STIM.180	58,000	CON.180	32,588	PCOM.180	0	184,588
Trailer House/Camp/Catering	DIDC.280	46,000	DICC.255	7,000	STIM.280	30,000					83,000
Other Misc Expenses	DIDC.220	5,000	DICC.190	0	STIM.190	77,000	CON.190	41,525	PCOM.190	0	123,525
Overhead	DIDC.225	10,000	DICC.195	5,000							15,000
MOB/DEMOB	DIDC.240	100,000									100,000
Directional Drilling Services	DIDC.245	533,000									533,000
Solids Control	DIDC 260										
		53,000									53,000
Well Control Equip (Snubbing Services)	DIDC.265	92,000	DICC.240	5,000	STIM.240	83,000			PCOM.240	0	180,000
Completion Rig					STIM.115	21,000			PCOM.115	0	21,000
Coil Tubing Services					STIM.260	250,000			PCOM.260	0	250,000
Completion Logging/Perforating/Wireline					STIM.200	346,000			PCOM.200	0	346,000
Composite Plugs					STIM.390	63,000			PCOM.390	0	63,000
Stimulation Pumping/Chemicals/Additives/Sand					STIM.210				PCOM.210		
						3,162,000			PCOW.210	10,000	3,172,000
Stimulation Water/Water Transfer/Water Storage					STIM.395	358,000					358,000
Cimarex Owned Frac/Rental Equipment					STIM.305	60,000			PCOM.305	72,500	132,500
Legal/Regulatory/Curative	DIDC.300	10,000					CON.300	0			10,000
Well Control Insurance	DIDC.285	8,000									8,000
FL/GL - ON PAD LABOR							CON.495	21,450			21,450
FL/GL - Labor							CON.500	43,038			43,038
FL/GL - Supervision							CON.505			The state of the	
								25,988		-	25,988
Survey							CON.515	3,025			3,025
Contingency	DIDC.435	104,000	DICC.220	12,000	STIM.220	244,000	CON.220	175,725	PCOM.220	0	535,725
Contingency							CON.221	13,750			13,750
Total Intangible Cost		2,486,000		261,000		5,126,000		838,200		455,400	9,166,600
Conductor Pipe	DWEB.130	7,000	hot collamnion armoun		CHOOLING CONTROL SECTION	orano religio della dell	jerneski byłostirowocie				7,000
Water String	DWEB.135	16,000									16,000
Surface Casing	DWEB.140	38,000									38,000
Intermediate Casing 1	DWEB.145	307,000									307,000
Production Casing or Liner			DWEA.100	395,000							395,000
Tubing					STIMT.105	43,000			PCOMT.105	0	43,000
Wellhead, Tree, Chokes	DWEB.115	38,000	DWEA.120	18,000	STIMT.120	38,000			PCOMT.120	10,000	104,000
Packer, Nipples		30,000		,0,000	STIMT.400				PCOMT.400		
PUMPS					210V11.400	28,000	CONTRAC		r COW1.400	0	28,000
							CONT.385	30,388			30,388
WALKOVERS							CONT.390	16,500			16,500
Downhole Lift Equipment					STIMT.410	80,000			PCOMT.410	0	80,000
N/C Lease Equipment							CONT.400	239,525			239,525
Tanks, Tanks Steps, Stairs							CONT.405	113,300			113,300
Battery Equipment							CONT.410	390,913		The state of the s	
Secondary Containments							CONT.415				390,913
								57,063			57,063
Overhead Power Distribution							CONT.420	94,188			94,188
Facility Electrical							CONT.425	85,938			85,938
Telecommunication Equipment							CONT.426	1,375			1,375
Meters and Metering Equipment							CONT.445	40,838			40,838
Facility Line Pipe							CONT.450	50,050			50,050
Lease Automation Materials											
FL/GL - Materials							CONT.455	85,938			85,938
							CONT.550	9,488			9,488
FL/GL - Line Pipe							CONT.555	36,438			36,438
Total Tangible Cos		406,000		413,000		189,000		1,251,938		10,000	2,269,938

		BCP - Drilling			ACP - Drilling			Comp/Stim	
Description	Codes		Amount	Codes		Amount	Codes		Amo
Roads & Location	DIDC.100		150,000				STIM.100	CON.100	10,0
Damages	DIDC.105		30,000						The state of the s
							STIM.255		00
Mud/Fluids Disposal	DIDC.255		67,000				511M.255		80,
Day Rate	DIDC.115	DICC.120	417,000	DICC.120		90,000			
Misc Preparation	DIDC.120		20,000						
Bits	DIDC.125	DICC.125	90,000	DICC.125	STIM.125	0	STIM.125		
Fuel	DIDC.135		48,000	DICC.130		0			
Water for Drilling Rig (Not Frac Water)	DIDC.140	DICC.135	5,000	DICC.135	STIM.135	0	STIM.135		31,0
Mud & Additives	DIDC.145		200,000						
SWD PIPED TO 3RD PARTY SWD WELL									
	DIDC.150	DICC.140	100,000	DICC.140	STIM.140	0	STIM.140	CON,140	175
Surface Rentals		DRCC. 140	109,000	DICC.140	311Wi.140	0		CON.140	175,0
Downhole Rentals	DIDC.155		80,000				STIM.145		70,0
Flowback Labor							STIM.141		
Automation Labor									
IPC & EXTERNAL PAINTING						and the second			
Cementing & Float Equipment	DIDC.185	DICC.155	110,000	DICC.155		85,000			
Tubular Inspections	DIDC.190	DICC.160	63,000	DICC.160	STIM.160	5,000	STIM.160		4,0
Casing Crews	DIDC.195	DICC.165	10,000	DICC.165	STIM.165	20,000	STIM.165		
	DIDC.200							CON.170	
Mechanical Labor			28,000	DICC.170	STIM.170	10,000	STIM.170		
Trucking/Transportation	DIDC.205	DICC.175	18,000	DICC.175	STIM.175	8,000	STIM.175	CON.175	4,0
Supervision	DIDC.210	DICC.180	80,000	DICC.180	STIM.180	14,000	STIM.180	CON.180	58,0
Trailer House/Camp/Catering	DIDC.280	DICC.255	46,000	DICC.255	STIM.280	7,000	STIM.280		30,0
								CON 100	
Other Misc Expenses	DIDC.220		5,000	DICC.190	STIM.190	0	STIM.190	CON.190	77,0
Overhead	DIDC.225	DICC.195	10,000	DICC.195		5,000			
MOB/DEMOB	DIDC.240		100,000						
Directional Drilling Services	DIDC.245		533,000						
Solids Control	DIDC.260		53,000						
Well Control Equip (Snubbing Services)	DIDC.265	DICC.240	92,000	DICC.240	STIM.240	5,000	STIM.240		83,0
Completion Rig							STIM.115		21,0
Coil Tubing Services						The second	STIM.260		
									250,0
Completion Logging/Perforating/Wireline							STIM.200		346,0
Composite Plugs			1				STIM.390		63,0
Stimulation							STIM.210		3,162,0
Stimulation Water/Water Transfer/Water							STIM.395		
									358,0
Cimarex Owned Frac/Rental Equipment							STIM.305		60,0
Legal/Regulatory/Curative	DIDC.300		10,000						
Well Control Insurance	DIDC.285		8,000						
	DID C.EUS		8,000						
FL/GL - ON PAD LABOR									
FL/GL - Labor									
FL/GL - Supervision									
Survey									
	DID # 100		September 1						
Contingency	DIDC.435	DICC.220	104,000	DICC.220	STIM.220	12,000	STIM.220	CON.220	244,0
Contingency									
Total Intangible Cost			2,486,000			261,000			5,126,0
Conductor Pipe	DWEB.130			-		201,000			3,120,0
			7,000						
Water String	DWEB.135		16,000						
Surface Casing	DWEB.140		38,000						
Intermediate Casing 1	DWEB.145		307,000						
Production Casing or Liner			307,000	DWEA.100		205.000			
				DWEA. 100		395,000			
Tubing							STIMT.105		43,0
Wellhead, Tree, Chokes	DWEB.115	DWEA.120	38,000	DWEA.120	STIMT.120	18,000	STIMT.120		38,0
Packer, Nipples							STIMT.400		28,0
PUMPS									20,0
WALKOVERS									
Downhole Lift Equipment							STIMT.410		80,0
N/C Lease Equipment									20,0
Tanks, Tanks Steps, Stairs									
Battery Equipment									
Secondary Containments									
Overhead Power Distribution									
Facility Electrical									
Telecommunication Equipment									
Meters and Metering Equipment									
Facility Line Pipe									
ease Automation Materials									
L/GL - Materials									
FL/GL - Line Pipe									
L/GL - Line Pipe Total Tangible Cos			406,000			413,000			189,

		Production Equip			Post Completion		Total
Description	Codes		Amount	Codes		Amount	Co
Roads & Location	CON.100		55,550	PCOM.100	Road Repair	7,000	222,55
Damages	CON.105		3,300			A I I I I I I I I I I I I I I I I I I I	33,30
	10011.705		3,300	PCOM.255		0	
Mud/Fluids Disposal				PCOIN.255		0	147,00
Day Rate							507,00
Misc Preparation							20,00
Bits				PCOM.125		0	90,00
Fuel				PCOM.130		0	48,00
Water for Drilling Rig (Not Frac Water)				PCOM.135		0	36,00
				1 COM. 133		U	
Mud & Additives							200,00
SWD PIPED TO 3RD PARTY SWD WELL				PCOM.257	6000 BWPD for 2 months to BBR @ \$0.74/bbl	266,400	266,40
Surface Rentals	CON.140		3,163	PCOM.140	\$1,500/d for 40 days	60,000	347,16
Downhole Rentals				PCOM.145		0	150.00
Flowback Labor				PCOM.141	\$2,000/d for 15 days	30,000	30,00
Automation Labor	CON.150		65,313	PCOM.150	Sand Separator Hookup	9,500	74,81
				7 CON1.130	Sand Separator Flookup	9,300	
IPC & EXTERNAL PAINTING	CON.165		23,513				23,51
Cementing & Float Equipment							195,00
Tubular Inspections				PCOM.160		0	72,00
Casing Crews							30,00
Mechanical Labor	CON.170		207 412	PCOM.170		0	335,41
			297,413				
Trucking/Transportation	CON.175		32,863	PCOM.175		0	62,86
Supervision	CON.180		32,588	PCOM.180		0	184,58
Trailer House/Camp/Catering							83,00
Other Misc Expenses	CON.190		41,525	PCOM.190		0	123,52
Overhead			71,525				15,00
MOB/DEMOB							100,00
Directional Drilling Services							533,00
Solids Control							53,00
Well Control Equip (Snubbing Services)				PCOM.240		0	180,00
Completion Rig				PCOM.115		0	21,00
Coil Tubing Services				PCOM.260		0	250,00
Completion Logging/Perforating/Wireline				PCOM.200		0	346,00
Composite Plugs				PCOM.390		0	63,00
Stimulation Pumping/Chemicals/Additives/Sand				PCOM.210	Initial Chem Install	10,000	3,172,00
Stimulation Water/Water Transfer/Water Storage						10,000	358,00
Cimarex Owned Frac/Rental Equipment				PCOM.305	XEC Owned Spherical Plus Iron	72,500	132,50
Legal/Regulatory/Curative	CON.300		0				10,00
Well Control Insurance							8,00
FL/GL - ON PAD LABOR	CON.495		21,450				21,45
FL/GL - Labor	CON.500						
			43,038				43,03
FL/GL - Supervision	CON.505		25,988				25,98
Survey	CON.515		3,025				3,02
Contingency	CON.220		175,725	PCOM.220		0	535,72
Contingency	CON.221		13,750				13,75
Total Intangible Cost						455, 400	
	TETCHITI CONTRACTOR DE L'ANGUERO	COPPLOST COST CONTRACTOR CONTRACT	838,200			455,400	9,166,60
Conductor Pipe							7,00
Water String							16,00
Surface Casing							38,00
Intermediate Casing 1							307,00
Production Casing or Liner							
Tubing				2501:21:			395,00
				PCOMT.105		0	43,00
Wellhead, Tree, Chokes				PCOMT.120	Welded Hairpin	10,000	104,00
Packer, Nipples				PCOMT.400		0	28,00
PUMPS	CONT.385		30,388				30,38
WALKOVERS	CONT.390						
	20111.330		16,500	beet			16,50
Downhole Lift Equipment				PCOMT.410		0	80,00
N/C Lease Equipment	CONT.400		239,525				239,52
Tanks, Tanks Steps, Stairs	CONT.405		113,300				113,30
Battery Equipment	CONT.410		390,913				390,91
Secondary Containments	CONT.415						
			57,063			-	57,06
Overhead Power Distribution	CONT.420		94,188				94,18
Facility Electrical	CONT.425		85,938				85,93
Telecommunication Equipment	CONT.426		1,375			-	1,37
Meters and Metering Equipment	CONT.445		40,838				
Facility Line Pipe							40,83
	CONT.450		50,050				50,05
Lease Automation Materials	CONT.455		85,938				85,93
FL/GL - Materials	CONT.550		9,488			RATE WATER	9,48
FL/GL - Line Pipe	CONT.555		36,438				36,43
Total Tangible Cos			1,251,938			10,000	2,269,93