devon

Devon Energy Production Company L P
333 West Sheridan Avenue
Oklahoma City OK 73102

405 235 3611 Phone
www devonenergy com

November 17, 2016

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

ExxonMobil Corporation
c/o XTO Energy Inc
Attn Angie Repka
810 Houston Street
Fort Worth, TX 76102 6298
Cert Mail 9214890152718100209904

Wells Fargo Bank National Association
1525 West W T Harris Blvd,
MAC vD1109 019
Charlotte, NC 28262
Cert Mail 9214890152718100209928

Linn Energy Holdings, LLC
Berry Petroleum, LLC
600 Travis Street, Suite 5100
Houston, TX 77002
Cert Mail 9214890152718100209911

Re Tomb Raider 1 12 Fed 61H
SHL 200' FNL & 1310' FWL Section 1-T23S-R31E
BHL 330' FSL & 660' FWL Section 12 T23S R31E
Eddy County, New Mexico

Ladies and Gentlemen

Devon Energy Production Company, L P ("Devon") proposes to drill the referenced horizontal well to an approximate TVD of 10,161' and an approximate TMD of 20,161' in order to test the 2nd Bone Spring Sand formation A well location plat is included with this letter for your reference

To facilitate this project, Devon also proposes forming a 320 acre Project Area consisting of the W/2 W/2 of Section 1-T23S-R31E & the W/2 W/2 of Section 12-T23S-R31E, Eddy County, NM This Project Area will be made up of Federal Lease USA NMNM 22080 insofar as it covers the W/2 W/2 of Section 1-T23S-R31E & the W/2 W/2 of Section 12-T23S-R31E, Eddy County, NM Accordingly, ExxonMobil Corporation would have a 12 5% working interest in the proposed Project Area and well

Enclosed you will find Devon's AFE for the procedure reflecting our estimated completed well cost of $7,598,195

If you elect to participate in this well, please return to my attention via mail, email, or fax @ 405-234-2644 a signed AFE and your most updated well requirement sheet including email addresses If returned by email or fax, the signature will be deemed an original response

If you have any questions concerning this proposal please contact me at (405) 228-2448 or ryan cloer@dvn com

Sincerely,

DEVON ENERGY PRODUCTION COMPANY, L P

Ryan Cloer

Ryan Cloer
Landman
Enclosures

OCD Case# 15634
Linn Operating, Inc
Linn Energy Holdings LLC
March 2 2017 Ex# 1

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# Authorization for Expenditure

AFE # XX 122164 01
Well Name TOMB RAIDER 1 12 FED 61H
Cost Center Number
Legal Description SEC 1 23S31E
Revision ☐

AFE Date 11/17/2016
State
County/Parish

**Explanation and Justification**

**DRILL AND COMPLETION**

| Code | Intangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---|---|---|---|---|---|
| 6060100 | DYED LIQUID FUELS | 51,438.37 | 0.00 | 0 00 | 51,438.37 |
| 6080100 | DISPOSAL SOLIDS | 71,998 71 | 5,000 00 | 0 00 | 76,998.71 |
| 6080110 | DISP-SALTWATER & OTH | 0.00 | 10,000 00 | 0 00 | 10,000 00 |
| 6080115 | DISP VIA PIPELINE SW | 0.00 | 72,000.00 | 0 00 | 72,000 00 |
| 6090100 | FLUIDS WATER | 28,777.30 | 630,000 00 | 0.00 | 658,777.30 |
| 6100100 | PERMIT SURVEY&TITLE | 40,000.00 | 5,000 00 | 0.00 | 45,000 00 |
| 6100110 | RIGHT OF WAY | 5,000.00 | 0.00 | 0.00 | 5,000.00 |
| 6110120 | ROAD&SITE PREP M&S | 0.00 | 101,489.00 | 0.00 | 101,489.00 |
| 6110130 | ROAD&SITE PREP SVC | 100,000.00 | 7,500.00 | 0.00 | 107,500 00 |
| 6110170 | DAMAGE & REMEDIATION | 10,000.00 | 0.00 | 0 00 | 10,000.00 |
| 6130130 | COMM SERVICE SCADA | 0.00 | 100,000.00 | 0.00 | 100,000.00 |
| 6130170 | COMM SVCS OTHER | 2,451.97 | 0.00 | 0 00 | 2,451.97 |
| 6130360 | RTOC ENGINEERING | 25,245.00 | 4,750.00 | 0.00 | 29,995 00 |
| 6130370 | RTOC GEOSTEERING | 10,525.00 | 0.00 | 0 00 | 10,525.00 |
| 6140100 | ENV-COMMNTY CONSULTS | 0.00 | 500.00 | 0.00 | 500.00 |
| 6150100 | CH LOG PERFRTG&WL SV | 0.00 | 268,250.00 | 0.00 | 268,250 00 |
| 6170100 | PULLING&SWABBING SVC | 0 00 | 12,500 00 | 0.00 | 12,500 00 |
| 6170110 | SNUBBG&COIL TUBG SVC | 0.00 | 275,000.00 | 0.00 | 275,000.00 |
| 6190100 | TRCKG&HL-SOLID&FLUID | 65,585.41 | 5,000 00 | 0.00 | 70,585.41 |
| 6190110 | TRUCKING&HAUL OF EQP | 61,412.74 | 5,000 00 | 0 00 | 66,412.74 |
| 6200110 | INSPECTION SERVICES | 0 00 | 5,000 00 | 0.00 | 5,000 00 |
| 6200130 | CONSLT TECH&PROF SVC | 99,503 00 | 95,000 00 | 0 00 | 194,503 00 |
| 6230120 | SAFETY SERVICES | 39,108 66 | 5,000.00 | 0.00 | 44,108 66 |
| 6300270 | SOLIDS CONTROL SRVCS | 72,588.00 | 0 00 | 0 00 | 72,588.00 |
| 6310120 | STIMULATION SERVICES | 0 00 | 1,900,000 00 | 0.00 | 1,900,000.00 |
| 6310200 | CASING & TUBULAR SVC | 75,258.00 | 0.00 | 0 00 | 75,258 00 |
| 6310250 | CEMENTING SERVICES | 152,301.82 | 0 00 | 0 00 | 152,301.82 |
| 6310280 | DAYWORK COSTS | 507,543.61 | 0.00 | 0 00 | 507,543 61 |
| 6310300 | DIRECTIONAL SERVICES | 198,140 17 | 0 00 | 0 00 | 198,140.17 |
| 6310310 | DRILL BITS | 62,889.38 | 0 00 | 0.00 | 62,889.38 |
| 6310330 | DRILL&COMP FLUID&SVC | 83,253 54 | 10,000 00 | 0 00 | 93,253.54 |
| 6310370 | MOB & DEMOBILIZATION | 248,092.29 | 0 00 | 0.00 | 248,092.29 |
| 6310380 | OPEN HOLE EVALUATION | 16,357.46 | 0.00 | 0 00 | 16,357.46 |
| 6310480 | TSTNG-WELL, PL & OTH | 0.00 | 35,000 00 | 0 00 | 35,000 00 |
| 6310600 | MISC PUMPING SERVICE | 0 00 | 20,000.00 | 0 00 | 20,000.00 |
| 6320100 | EQPMNT SVC-SRF RNTL | 84,558.73 | 165,000.00 | 0.00 | 249,558.73 |
| 6320110 | EQUIP SVC DOWNHOLE | 35,215.00 | 0.00 | 0 00 | 35,215.00 |
| 6320160 | WELDING SERVICES | 1,179.49 | 25,074.00 | 0.00 | 26,253.49 |
| 6520100 | LEGAL FEES | 20,000.00 | 0.00 | 0 00 | 20,000.00 |
| 6550110 | MISCELLANEOUS SVC | 55,254.00 | 179,033.00 | 0 00 | 234,287.00 |
| 6550120 | OTHER ROUSTABOUT SER | 0 00 | 99,683 00 | 0.00 | 99,683.00 |
| 6630110 | CAPITAL OVERHEAD | 8,254.00 | 42,435.00 | 0.00 | 50,689.00 |
| 6740340 | TAXES OTHER | 136.87 | 190,000.00 | 0 00 | 190,136.87 |
| | Total Intangibles | 2,230,062 52 | 4,271,214.00 | 0 00 | 6,501,276.52 |

**Costs on this form are estimates only Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation**

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# Authorization for Expenditure

AFE # XX 122164 01
Well Name TOMB RAIDER 1 12 FED 81H
Cost Center Number
Legal Description SEC 1 23S31E
Revision ☐

AFE Date 11/17/2016
State
County/Parish

| Code | Tangible Description | Drilling Costs | Completion Costs | Dry Hole Costs | Total Costs |
|---|---|---|---|---|---|
| 6110150 | FENCING & GATE COSTS | 0.00 | 11,750 00 | 0 00 | 11,750 00 |
| 6120120 | MEASUREMENT EQUIP | 0 00 | 20,000 00 | 0 00 | 20,000 00 |
| 6130120 | COMM DEVICES SCADA | 0 00 | 15 000 00 | 0 00 | 15,000 00 |
| 6230130 | SAFETY EQUIPMENT | 570 00 | 0 00 | 0 00 | 570 00 |
| 6300220 | STORAGE VESSEL&TANKS | 0 00 | 100,000 00 | 0 00 | 100,000 00 |
| 6300230 | PUMPS SURFACE | 0 00 | 11,146 00 | 0 00 | 11,146 00 |
| 6310130 | ARTIFICIAL LIFT EQP | 0 00 | 25,000 00 | 0 00 | 25,000 00 |
| 6310150 | CASG-COND&DRIVE PIPE | 50,000 00 | 0 00 | 0 00 | 50,000 00 |
| 6310420 | TUBING & COMPONENTS | 0 00 | 75,000 00 | 0 00 | 75,000 00 |
| 6310460 | WELLHEAD EQUIPMENT | 51,461 49 | 33,000 00 | 0 00 | 84,461.49 |
| 6310530 | SURFACE CASING | 48,087 47 | 0 00 | 0 00 | 48,087 47 |
| 6310540 | INTERMEDIATE CASING | 139,279.37 | 0 00 | 0 00 | 139,279 37 |
| 6310550 | PRODUCTION CASING | 295,254 00 | 0 00 | 0 00 | 295,254.00 |
| 6310580 | CASING COMPONENTS | 24 479 79 | 0 00 | 0 00 | 24,479 79 |
| 6320180 | EQUIPMENT OTHER | 0 00 | 41 890 00 | 0 00 | 41,890.00 |
| 6330100 | PIPE FIT,FLANG,CPLNG | 0 00 | 155,000 00 | 0 00 | 155,000.00 |
| | Total Tangibles | 609,132 12 | 487,786 00 | 0 00 | 1,096,918 12 |

| TOTAL ESTIMATED COST | 2,839,194 64 | 4,759,000 00 | 0.00 | 7,598,194 64 |
|---|---|---|---|---|

WORKING INTEREST OWNER APPROVAL

Company Name

Signature (signed)

Print Name Tom McVeil

Title SUP OPS

Date 3/1/2017

Email

Note Please include/attach well requirement data with ballot.

Costs on this form are estimates only Working Interest Owners should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation