



AUTHORIZATION FOR EXPENDITURE

Well Name Pollos Hermanos State 5H
Operator Steward Energy II LLC
Well Type Oil
Q/Q/Q S/T/R / / 10 / 14S / 38W

AFE Type Development Drilg/Comp
Prop Depth TVD MD

AFE Number 1704018DR
AFE Date 4/5/2017
County State Lea
Prep By Scott Stedman

Surface Long 103 089141
Bottom Hole Long 103 089514

Field
Lat 33 1122661 **XLoc**
Lat 33 132826 **XLoc**

YLoc
YLoc

Project Description Drill and Complete San Andres Horizontal

Account #	Cost Breakdown	Drilling	Dry Hole	Completion Cost	Workover	Total
8200 100	Land Survey ng & Legal	\$3 000	\$3 000			\$3 000
8200 101	Abstract Title & Permit	\$3 000	\$3 000			\$3 000
8200 102	ROW & Surface Damages	\$74 500	\$74 500			\$74 500
8200 103	Road Pad Location & Pit Building	\$91 000	\$91 000			\$91 000
8200 104	Environ Reg & Safety	\$2 500	\$2 500			\$2 500
8200 110	Company Labor	\$4 000	\$4 000			\$4 000
8200 113	Contract Labor	\$36 000	\$36 000			\$36 000
8200 120	Vacuum & Pump Truck	\$4 000	\$4 000			\$4 000
8200 122	Material Transportation	\$6 000	\$6 000			\$6 000
8200 126	Fuel	\$36 000	\$36 000			\$36 000
8200 132	Mud & Additives	\$45 000	\$45 000			\$45 000
8200 140	Mob/Demob	\$45 000	\$45 000			\$45 000
8200 141	Mud Disposal/Pit Closure	\$10 000	\$10 000			\$10 000
8200 142	Tra ler Rental Camp & Cater ng	\$18 000	\$18 000			\$18 000
8200 144	Drilling Rig Daywork or Footage	\$165 600	\$165 600			\$165 600
8200 149	Bits Mills & Reamers	\$35 000	\$35 000			\$35 000
8200 150	Mud Logging	\$15 000	\$15 000			\$15 000
8200 151	D irectio al Serv ces	\$95 000	\$95 000			\$95 000
8200 160	Casing Crews & Serv ces	\$10 000	\$10 000			\$10 000
8200 161	Cement ng Serv ces	\$15 000	\$15 000			\$15 000
8200 170	Water Purchase & T ansfer	\$10 000	\$10 000			\$ 0 000
8200 175	Surface Equipment Rental & Services	\$30 000	\$30 000			\$30 000
8200 176	Downhole Equipment Rental & Services	\$5 000	\$5 000			\$5 000
8200 193	Downhole Inspection/Testing Casing Tub ng &	\$5 000	\$5 000			\$5 000
8200 700	Contingency	\$39 000	\$39 000			\$39 000
IDC Total		\$802 600	\$802 600			\$802 600
8250 200	Conductor/Drive Pipe	\$12 000	\$12 000			\$12 000
8250 201	Surface Casing	\$53 025	\$53 025			\$53 025
8250 205	Wellhead Equipment Flow Tee & Meter Run	\$4 000	\$4 000			\$4 000
8250 700	Contingency	\$3 500	\$3 500			\$3 500
TDC Total		\$72 525	\$72 525			\$72 525
Drilling Total		\$875 125	\$875 125			\$875 125

OCD Case No 15670

STEWARD ENERGY II
Exhibit # 9

8300 103	Road Pad Location & P t Building		\$15 000	\$15 000
8300 111	Company Superv sion		\$4 000	\$4 000
8300 113	Contract Labor		\$27 000	\$27 000
8300 120	Vacuum & Pump Truck		\$24 000	\$24 000
8300 122	Matel al T ansportat on		\$8 000	\$8 000
8300 126	Fuel		\$32 000	\$32 000
8300 133	Comple on Flu d		\$10 000	\$10 000
8300 135	Flowback D sposal		\$7 500	\$7 500
8300 142	Trailer Rental Camp & Cater ng		\$4 000	\$4 000
8300 143	Well Control BOP Isolation Assy		\$40 000	\$40 000
8300 144	Drilling R g Daywk or Ftge	\$13 800	\$13 800	\$13 800
8300 146	Comple on/Wo kover R g		\$150 000	\$150 000
8300 148	Re erse Unit		\$12 000	\$12 000
8300 149	B ts Mills & Reame s		\$5 000	\$5 000
8300 160	Cas ng Crews & Services	\$9 500	\$9 500	\$9 500
8300 161	Cementing Services	\$65 000	\$65 000	\$65 000
8300 164	Wireline & Perforating		\$75 000	\$75 000
8300 170	Water Purchase & Transfer		\$140 000	\$140 000
8300 171	Stimulation Frac Acid Gravel Pack		\$1 118 750	\$1 118 750
8300 172	Well Testing		\$20 000	\$20 000
8300 175	Surface Equipment Rental & Serv ces		\$60 000	\$60 000
8300 176	Downhole Equipment Rental & Serv ces		\$20 000	\$20 000
8300 182	Tank Battery R&M		\$100 000	\$100 000
8300 190	Pr me Mover R&M (PU ESP etc)		\$15 000	\$15 000
8300 700	Cont gency		\$93 500	\$93 500
ICC Total			\$2 069 050	\$2 069 050
8350 203	Product on Casing	\$168 870	\$168 870	\$168 870
8350 205	Wellhead Equ pment Flow Tee & Meter Run	\$21 500	\$21 500	\$21 500
8350 206	Tub ng		\$21 250	\$21 250
8350 211	Electric Submersible Pumps		\$35 000	\$35 000
8350 213	Frac Plugs Br dge Plus Packers Tubing Anchors		\$29 900	\$29 900
8350 214	Other Downhole Equipment	\$8 200	\$8 200	\$8 200
8350 221	Surface VSD Transformer POC & Assoc ated		\$8 000	\$8 000
8350 222	Instrumentat on & Meters		\$27 000	\$27 000
8350 223	SCADA & Commun cat ons		\$70 000	\$70 000
8350 224	Electr cal Installat o & Power Generat on		\$185 000	\$185 000
8350 230	Compressor Dehy L ne Heate		\$40 000	\$40 000
8350 231	Separato Heate T eate FWKO		\$57 000	\$57 000
8350 232	Tanks Walkways & Stars		\$110 000	\$110 000
8350 233	Flowline & Gather ng Lines		\$50 000	\$50 000
8350 234	Surface Pump & LACT s		\$18 000	\$18 000
8350 235	Miscellaneous Non Co trollable P pe Val es &		\$150 000	\$150 000
8350 700	Cont gency		\$50 000	\$50 000
TCC Total			\$1 049 720	\$1 049 720
Completion Total			\$3 118 770	\$3 118 770
			Drilling & Completion Total	\$3 993 895
		Net %	92.847260%	Net Total
				\$3 708 222

Approved by

Steward Energy II LLC

Signature

Liya He

Date

4/6/17

Date

This AFE is an estimate only and non operator by execution of same commits to pay its proportionate share of actual cost incurred