

August 12, 2019

Certified Return Receipt & Email

First Roswell Company, Ltd.
Attn: Mr. Thomas Jennings
P.O. Box 1797
Roswell, NM 88202

RE: **Well Proposals**
Double ABJ 16 Fed Com #301H-#304H
SE/4 of Section 9 & E/2 of Section 16, Township 24 South, Range 32 East,
NMPM, Lea County, New Mexico

Dear Mr. Jennings,

EOG Resources, Inc. ("EOG") hereby proposes the drilling and completion of the wells detailed below, targeting the First Bone Spring Shale formation:

Well Name	Surface Location	First Take Point	Last Take Point	TVD	MD
Double ABJ 16 Fed Com #301H	337' FSL & 450' FEL	100' FSL & 330' FEL	100' FNL & 330' FEL	9,800	19,800
Double ABJ 16 Fed Com #302H	369' FSL & 450' FEL	100' FSL & 990' FEL	100' FNL & 990' FEL	9,800	19,800
Double ABJ 16 Fed Com #303H	303' FSL & 1518' FEL	100' FSL & 1650' FEL	100' FNL & 1650' FEL	9,800	19,800
Double ABJ 16 Fed Com #304H	336' FSL & 1518' FEL	100' FSL & 1815' FEL	100' FNL & 1815' FEL	9,800	19,800

A Well Location and Acreage Dedication Plat is enclosed and further describes the proposed wells. The APD's for the subject wells have been submitted and EOG anticipates commencing this package upon approval. Our records indicate that First Roswell Company, Ltd. owns an estimated 6.94444444% working interest in the subject wells.

Also, enclosed for your review are Drilling & Completion AFEs. Note that these AFEs are estimates only and actual costs may be more or less than the amount provided on the AFEs. Further, an election to participate in a well is also an election to participate in such well's artificial lift and facility. Separate AFEs are solely for administrative purposes and will be provided at a later date.

EOG is proposing to drill these wells under the terms of an AAPL Form 610 1989 Operating Agreement naming EOG Resources, Inc. as Operator. The proposed Operating Agreement contract area will cover SE/4 of Section 9 and the E/2 of Section 16, T24S, R32E, Lea County, New Mexico, as to the Bone Spring and Wolfcamp formations. The proposed Operating Agreement will contain the following key provisions:

- Non-consent Provisions of 100% / 300% / 300%
- Drilling and Producing Rates of \$7,500 / \$750
- EOG Resources, Inc. named as Operator

Please indicate your elections to participate in the drilling, completing and equipping of the proposed wells by executing and returning one copy of this letter and the enclosed AFEs. A copy of the proposed Operating Agreement will be provided for your review upon your indication of participation. If you do not wish to

participate, EOG would be interested in acquiring your interest in the SE/4 of Section 9 via trade, term assignment, etc.

It is our understanding that COG Operating LLC ("COG") has proposed Mastiff wells in the SE/4 of Section 9, T24S, R32E. EOG requests that First Roswell Company, Ltd. does not move forward with an Operating Agreement with COG and thoroughly considers EOG's proposed development plan of 1.5 mile laterals as depicted on the enclosed plats.

Please feel free to call or email with any questions or if you would like to discuss the enclosed proposals.

Sincerely,

EOG Resources, Inc.



Chloe Sawtelle
Landman II – Midland Division
(432) 686-3660
Chloe_Sawtelle@eogresources.com

RE: **Well Proposal**
Double ABJ 16 Fed Com #301H-#304H
SE/4 of Section 9 & E/2 of Section 16, Township 24 South, Range 32 East,
NMPM, Lea County, New Mexico

Double ABJ 16 Fed Com #301H

_____ The undersigned hereby elects to participate in the above-proposed operation for the Double ABJ 16 Fed Com #301H well, along with artificial lift and CTB Expansion.

_____ The undersigned hereby elects **NOT** to participate in the above-proposed operation for the Double ABJ 16 Fed Com #301H well.

Double ABJ 16 Fed Com #302H

_____ The undersigned hereby elects to participate in the above-proposed operation for the Double ABJ 16 Fed Com #302H well, along with artificial lift and CTB Expansion.

_____ The undersigned hereby elects **NOT** to participate in the above-proposed operation for the Double ABJ 16 Fed Com #302H well.

Double ABJ 16 Fed Com #303H

_____ The undersigned hereby elects to participate in the above-proposed operation for the Double ABJ 16 Fed Com #303H well, along with artificial lift and CTB Expansion.

_____ The undersigned hereby elects **NOT** to participate in the above-proposed operation for the Double ABJ 16 Fed Com #303H well.

Double ABJ 16 Fed Com #304H

_____ The undersigned hereby elects to participate in the above-proposed operation for the Double ABJ 16 Fed Com #304H well, along with artificial lift and CTB Expansion.

_____ The undersigned hereby elects **NOT** to participate in the above-proposed operation for the Double ABJ 16 Fed Com #304H well.

First Roswell Company, Ltd.

By: _____

Title: _____

Date: _____



MIDLAND			
AFE No.	112036	Original	
Property No.	076570-000		
EOG W.L.(BCP)	91.667%	(ACP)	91.667%
EOG AFE Amt:	(Drig)	\$3,239,000	
	(Land)	\$81,000	
	(Completion)	\$4,772,125	
	(Facility)	\$311,500	
	(Flowback)	\$292,500	
	Total Cost	\$8,696,125	

AFE Type :	DEVELOPMENT DRILLING	AFE Name :	DOUBLE ABJ 16 FED COM #301H	AFE Date :	8/12/2019	Budget Year :	2020
Reg. Lease No. :		Prospect Name :	DIAMONDTAIL	TVD / MD :	9800 / 19800	Begin Date :	
Location :	Section 16-T24S-R32E, 337 FSL & 450 FEL, Lat. 32.21112128 Long 103.6725136, X=745715 Y=441202			BHLocation :	BH(LATERAL #1): Section 9-T24S-R32E, 2540 FSL & 330FEL, Lat. 32.2317792 Long 103.6721094, X=745794 Y=448684		
Formation :	FIRST BONE SPRING SAND			DD&A Field :	BONE SPRING SANDS DB		
Operator :	EOG RESOURCES INC	County & State :	LEA / NEW MEXICO	Field :	UNASSIGNED	Water Depth :	
AFE Description :	DOUBLE ABJ 16 FED COM #301H D&C 9,800' TVD TO 19,800' MD IS A 1.5 MILE LATERAL TO BE COMPLETED IN BONE SPRING SANDS FORMATION. THIS WELL IS LOCATED IN SEC16, T24S, R32E IN LEA CO., NM					Product :	OIL
						Days :	0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION, ROADS&SURVEY	401	75,000	0	7,500	0	0	82,500
COMP-FLBK-LOCATION AND ROADS	401	0	0	0	0	10,000	10,000
COMP-RIG MOVE	402	0	0	0	0	0	0
RIG MOVE	402	225,000	0	0	0	0	225,000
FOOTAGE COST	403	0	0	0	0	0	0
DAY WORK COST	404	500,000	0	0	0	0	500,000
BITS & BHA	405	90,000	0	0	0	0	90,000
COMP-BITS & PHA	405	0	0	17,500	0	0	17,500
COMP - FUEL	406	0	0	295,000	0	5,000	300,000
FUEL	406	65,000	0	0	0	0	65,000
WATER	407	3,500	0	435,000	0	0	438,500
COMP-FLBK-CHEMICALS	408	0	0	0	0	3,000	3,000
MUD & CHEMICALS	408	290,000	0	0	0	0	290,000
CEMENTING & SERVICE	409	265,000	0	0	0	0	265,000
COMP- PERFORATING	413	0	0	433,000	0	0	433,000
COMP- STIMULATION	414	0	0	2,600,000	0	0	2,600,000
COMP-TRANSPORTATION	415	0	0	24,000	0	4,000	28,000
TRANSPORTATION	415	30,000	0	0	0	0	30,000
COMP-Completion Overhead	416	0	0	7,500	0	0	7,500
DRILLING OVERHEAD	416	5,000	0	0	0	0	5,000
COMP-EQUIPMENT RENTAL	417	0	0	150,000	0	0	150,000
FLBK-EQUIPMENT RENT/OPERATIONS	417	162,000	0	0	3,000	50,000	215,000
COMP-COMPLETION RIG	418	0	0	5,000	0	0	5,000
OTHER DRILLING EXPENSE	419	5,000	0	0	0	0	5,000
COMP-ENVIRON & SAFETY CHARGES	421	0	0	20,000	0	0	20,000
ENVIRONMENTAL & SAFETY	421	2,500	0	0	0	0	2,500
DIRECTIONAL DRILLING	422	210,000	0	0	0	0	210,000
COMP- SUPERVISION	424	0	0	165,000	0	0	165,000
SUPERVISION	424	115,000	0	0	0	0	115,000
COMP- COMMUNICATIONS	431	0	0	3,000	0	0	3,000
TUBULAR INSPECTION/HANDLING	436	5,000	0	1,000	0	0	6,000
COMP-CASED HOLE LOGGING/TEST	438	0	0	7,500	0	0	7,500
SPECIALTY SERVICES	441	100,000	0	15,000	0	0	115,000
COMP-WIRELINE SERVICES	442	0	0	8,500	0	0	8,500
COMP-COIL TUBING/NITROGEN	445	0	0	185,000	0	0	185,000
COMP-CONTRACT LABOR MISC	446	0	0	17,500	0	500	18,000
FLBK-DISPOSAL COSTS	447	105,000	0	45,000	0	125,000	275,000
COMP-COMPLETION FLUIDS	448	0	0	7,500	0	0	7,500
TITLE OPINION-DRILL SITE	453	0	10,000	0	0	0	10,000
COMP-FLOWBACK	465	0	0	5,000	0	75,000	80,000
COMP-REUSE WATER	480	0	0	165,000			165,000
COMP-LAND ROW DRILLING	482	0	7,500				7,500
COMP-LAND ROW COMPLETION	483	0	7,500				7,500
COMP-LAND SURVEY & DAMAGES DRILL	484	0	20,000	0	0	0	20,000
COMP-LAND SURVEY & DAMAGES COMP	485	0	20,000	0	0	0	20,000
COMP-REG-PERMIT FEE/ENV SURV&ASSESS	486	0	16,000	0	0	0	16,000
TOTAL INTANGIBLES		\$2,253,000	\$81,000	\$4,619,500	\$3,000	\$272,500	\$7,229,000

	UOM	QTY	SIZE	SIZE	GRADE	RATE					
SURFACE CASING						102	35,000	0	0	0	35,000
INTERMEDIATE CASING						103	200,000	0	0	0	200,000
PRODUCTION CASING						104	680,000	-	0	0	680,000
COMP-TUBING						106	0	0	58,125	0	58,125
WELLHEAD EQUIPMENT						107	71,000	0	82,500	0	153,500
COMP-FAC-FLOW LINES						109	0	0	0	95,000	95,000
COMP-FAC-VALVES & FITTINGS						110	0	0	0	31,000	31,000
COMP-VALVES & FITTINGS						110	0	0	1,500	0	21,500
COMP-PUMP EQUIP/SUBSURFACE						113	0	0	10,500	0	10,500
COMP-FAC- HEATERS,TREATRS,SEPRS						115	0	0	0	100,000	100,000
COMP-FAC-METERING EQUIPMENT						118	0	0	0	24,000	24,000
COMP-FAC-CONSTRUCTION COST						122	0	0	0	41,000	41,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA						124	0	0	0	1,000	1,000
COMP-FAC- INSTRUMENT/ELECTRIC						128	0	0	0	5,000	5,000
COMP-FAC-TRANSPORTATION						415	0	0	0	3,000	3,000
COMP-FAC-ENVIRONMENTAL & SAFETY						421	0	0	0	5,500	5,500
COMP-FAC-ELECTRICAL LABOR						471	0	0	0	3,000	3,000
TOTAL TANGIBLES							\$986,000	\$0	\$152,625	\$308,500	\$1,467,125
TOTAL COST							\$3,239,000	\$81,000	\$4,772,125	\$311,500	\$8,696,125

By	Date	By	Date
JOINT OPERATOR APPROVAL			
Firm :	By	Title	Date



MIDLAND			
AFE No.	112037	Original	
Property No.	076571-000		
EOG W.L.(BCP)	91.667%	(ACP)	91.667%
EOG AFE Amt:	(Drig)	\$3,239,000	
	(Land)	\$81,000	
	(Completion)	\$4,772,125	
	(Facility)	\$311,500	
	(Flowback)	\$292,500	
	Total Cost	\$8,696,125	

AFE Type :	DEVELOPMENT DRILLING	AFE Name :	DOUBLE ABJ 16 FED COM #302H	AFE Date :	8/12/2019	Budget Year :	2020
Reg. Lease No. :		Prospect Name :	DIAMONDTAIL	TVD / MD :	9800 / 19800	Begin Date :	
Location :	Section 16-T24S-R32E, 369 FSL & 450 FEL, Lat. 32.2113028 Long 103.6725155, X=745714 Y=441234			BHLocation :	BH(LATERAL #1): Section 9-T24S-R32E, 2540 FSL & 990 FEL, Lat. 32.23177712 Long 103.6742438, X=745134 Y=448679		
Formation :	FIRST BONE SPRING SAND			DD&A Field :	BONE SPRING SANDS DB		
Operator :	EOG RESOURCES INC	County & State :	LEA / NEW MEXICO	Field :	UNASSIGNED	Water Depth :	
AFE Description :	DOUBLE ABJ 16 FED COM #302H D&C 9,800' TVD TO 19,800' MD IS A 1.5 MILE LATERAL TO BE COMPLETED IN BONE SPRING SANDS FORMATION. THIS WELL IS LOCATED IN SEC16, T24S, R32E IN LEA CO., NM					Product :	OIL
						Days :	0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION, ROADS&SURVEY	401	75,000	0	7,500	0	0	82,500
COMP-FLBK-LOCATION AND ROADS	401	0	0	0	0	10,000	10,000
COMP-RIG MOVE	402	0	0	0	0	0	0
RIG MOVE	402	225,000	0	0	0	0	225,000
FOOTAGE COST	403	0	0	0	0	0	0
DAY WORK COST	404	500,000	0	0	0	0	500,000
BITS & BHA	405	90,000	0	0	0	0	90,000
COMP-BITS & PHA	405	0	0	17,500	0	0	17,500
COMP - FUEL	406	0	0	295,000	0	5,000	300,000
FUEL	406	65,000	0	0	0	0	65,000
WATER	407	3,500	0	435,000	0	0	438,500
COMP-FLBK-CHEMICALS	408	0	0	0	0	3,000	3,000
MUD & CHEMICALS	408	290,000	0	0	0	0	290,000
CEMENTING & SERVICE	409	265,000	0	0	0	0	265,000
COMP- PERFORATING	413	0	0	433,000	0	0	433,000
COMP- STIMULATION	414	0	0	2,600,000	0	0	2,600,000
COMP-TRANSPORTATION	415	0	0	24,000	0	4,000	28,000
TRANSPORTATION	415	30,000	0	0	0	0	30,000
COMP-Completion Overhead	416	0	0	7,500	0	0	7,500
DRILLING OVERHEAD	416	5,000	0	0	0	0	5,000
COMP-EQUIPMENT RENTAL	417	0	0	150,000	0	0	150,000
FLBK-EQUIPMENT RENT/OPERATIONS	417	162,000	0	0	3,000	50,000	215,000
COMP-COMPLETION RIG	418	0	0	5,000	0	0	5,000
OTHER DRILLING EXPENSE	419	5,000	0	0	0	0	5,000
COMP-ENVIRON & SAFETY CHARGES	421	0	0	20,000	0	0	20,000
ENVIRONMENTAL & SAFETY	421	2,500	0	0	0	0	2,500
DIRECTIONAL DRILLING	422	210,000	0	0	0	0	210,000
COMP- SUPERVISION	424	0	0	165,000	0	0	165,000
SUPERVISION	424	115,000	0	0	0	0	115,000
COMP- COMMUNICATIONS	431	0	0	3,000	0	0	3,000
TUBULAR INSPECTION/HANDLING	436	5,000	0	1,000	0	0	6,000
COMP-CASED HOLE LOGGING/TEST	438	0	0	7,500	0	0	7,500
SPECIALTY SERVICES	441	100,000	0	15,000	0	0	115,000
COMP-WIRELINE SERVICES	442	0	0	8,500	0	0	8,500
COMP-COIL TUBING/NITROGEN	445	0	0	185,000	0	0	185,000
COMP-CONTRACT LABOR MISC	446	0	0	17,500	0	500	18,000
FLBK-DISPOSAL COSTS	447	105,000	0	45,000	0	125,000	275,000
COMP-COMPLETION FLUIDS	448	0	0	7,500	0	0	7,500
TITLE OPINION-DRILL SITE	453	0	10,000	0	0	0	10,000
COMP-FLOWBACK	465	0	0	5,000	0	75,000	80,000
COMP-REUSE WATER	480	0	0	165,000			165,000
COMP-LAND ROW DRILLING	482	0	7,500				7,500
COMP-LAND ROW COMPLETION	483	0	7,500				7,500
COMP-LAND SURVEY & DAMAGES DRILL	484	0	20,000	0	0	0	20,000
COMP-LAND SURVEY & DAMAGES COMP	485	0	20,000	0	0	0	20,000
COMP-REG-PERMIT FEE/ENV SURV&ASSESS	486	0	16,000	0	0	0	16,000
TOTAL INTANGIBLES		\$2,253,000	\$81,000	\$4,619,500	\$3,000	\$272,500	\$7,229,000

	UOM	QTY	SIZE	SIZE	GRADE	RATE						
SURFACE CASING						102	35,000	0	0	0	0	35,000
INTERMEDIATE CASING						103	200,000	0	0	0	0	200,000
PRODUCTION CASING						104	680,000	-	0	0	0	680,000
COMP-TUBING						106	0	0	58,125	0	0	58,125
WELLHEAD EQUIPMENT						107	71,000	0	82,500	0	0	153,500
COMP-FAC-FLOW LINES						109	0	0	0	95,000	0	95,000
COMP-FAC-VALVES & FITTINGS						110	0	0	0	31,000	0	31,000
COMP-VALVES & FITTINGS						110	0	0	1,500	0	20,000	21,500
COMP-PUMP EQUIP/SUBSURFACE						113	0	0	10,500	0	0	10,500
COMP-FAC- HEATERS,TREATRS,SEPRS						115	0	0	0	100,000	0	100,000
COMP-FAC-METERING EQUIPMENT						118	0	0	0	24,000	0	24,000
COMP-FAC-CONSTRUCTION COST						122	0	0	0	41,000	0	41,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA						124	0	0	0	1,000	0	1,000
COMP-FAC- INSTRUMENT/ELECTRIC						128	0	0	0	5,000	0	5,000
COMP-FAC-TRANSPORTATION						415	0	0	0	3,000	0	3,000
COMP-FAC-ENVIRONMENTAL & SAFETY						421	0	0	0	5,500	0	5,500
COMP-FAC-ELECTRICAL LABOR						471	0	0	0	3,000	0	3,000
TOTAL TANGIBLES							\$986,000	\$0	\$152,625	\$308,500	\$20,000	\$1,467,125
TOTAL COST							\$3,239,000	\$81,000	\$4,772,125	\$311,500	\$292,500	\$8,696,125

By	Date	By	Date
JOINT OPERATOR APPROVAL			
Firm :	By	Title	Date

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name DOUBLE ABJ 16 FED COM	⁶ Well Number 302H
⁷ OGRID No.	⁸ Operator Name EOG RESOURCES, INC.	⁹ Elevation 3584'

¹⁰Surface Location

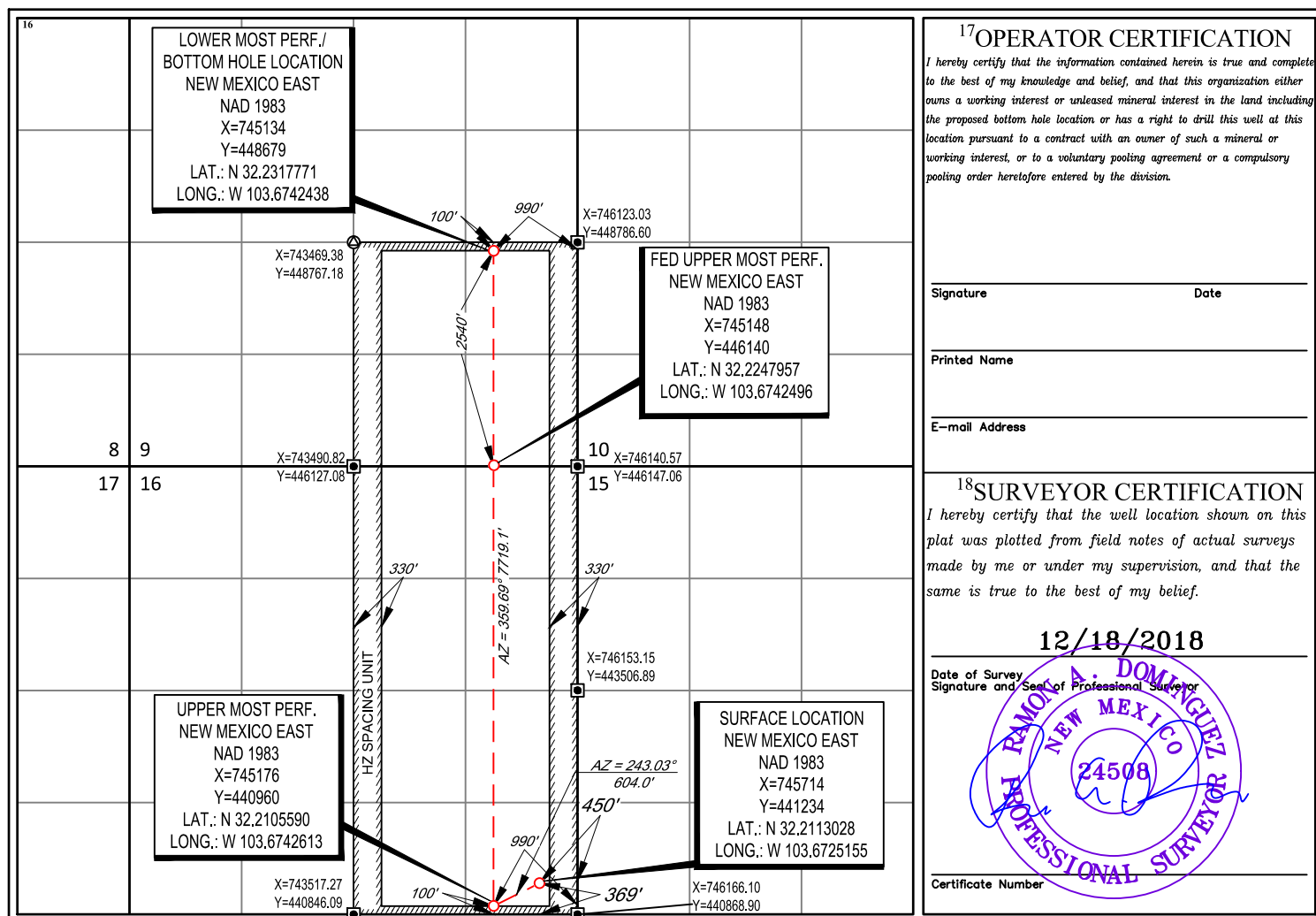
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	24-S	32-E	-	369'	SOUTH	450'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	9	24-S	32-E	-	2540'	SOUTH	990'	EAST	LEA

¹² Dedicated Acres 480.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.





MIDLAND			
AFE No.	112038	Original	
Property No.	076572-000		
EOG W.L.(BCP)	91.667%	(ACP)	91.667%
EOG AFE Amt:	(Drig)	\$3,239,000	
	(Land)	\$81,000	
	(Completion)	\$4,772,125	
	(Facility)	\$311,500	
	(Flowback)	\$292,500	
	Total Cost	\$8,696,125	

AFE Type :	DEVELOPMENT DRILLING	AFE Name :	DOUBLE ABJ 16 FED COM #303H	AFE Date :	8/12/2019	Budget Year :	2020
Reg. Lease No. :		Prospect Name :	DIAMONDTAIL	TVD / MD :	9800 / 19800	Begin Date :	
Location :	Section 16-T24S-R32E, 303 FSL & 1518 FEL, Lat. 32.2105545 Long 103.67639525, X=744516 Y=440955			BHLocation :	BH(LATERAL #1): Section 9-T24S-R32E, 2540 FSL & 1650 FEL, Lat. 32.23177749 Long 103.6763782, X=744474 Y=448675		
Formation :	FIRST BONE SPRING SAND			DD&A Field :	BONE SPRING SANDS DB		
Operator :	EOG RESOURCES INC	County & State :	LEA / NEW MEXICO	Field :	UNASSIGNED	Water Depth :	
AFE Description :	DOUBLE ABJ 16 FED COM #303H D&C 9,800' TVD TO 19,800' MD IS A 1.5 MILE LATERAL TO BE COMPLETED IN BONE SPRING SANDS FORMATION. THIS WELL IS LOCATED IN SEC16, T24S, R32E IN LEA CO., NM					Product :	OIL
						Days :	0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION, ROADS&SURVEY	401	75,000	0	7,500	0	0	82,500
COMP-FLBK-LOCATION AND ROADS	401	0	0	0	0	10,000	10,000
COMP-RIG MOVE	402	0	0	0	0	0	0
RIG MOVE	402	225,000	0	0	0	0	225,000
FOOTAGE COST	403	0	0	0	0	0	0
DAY WORK COST	404	500,000	0	0	0	0	500,000
BITS & BHA	405	90,000	0	0	0	0	90,000
COMP-BITS & PHA	405	0	0	17,500	0	0	17,500
COMP - FUEL	406	0	0	295,000	0	5,000	300,000
FUEL	406	65,000	0	0	0	0	65,000
WATER	407	3,500	0	435,000	0	0	438,500
COMP-FLBK-CHEMICALS	408	0	0	0	0	3,000	3,000
MUD & CHEMICALS	408	290,000	0	0	0	0	290,000
CEMENTING & SERVICE	409	265,000	0	0	0	0	265,000
COMP- PERFORATING	413	0	0	433,000	0	0	433,000
COMP- STIMULATION	414	0	0	2,600,000	0	0	2,600,000
COMP-TRANSPORTATION	415	0	0	24,000	0	4,000	28,000
TRANSPORTATION	415	30,000	0	0	0	0	30,000
COMP-Completion Overhead	416	0	0	7,500	0	0	7,500
DRILLING OVERHEAD	416	5,000	0	0	0	0	5,000
COMP-EQUIPMENT RENTAL	417	0	0	150,000	0	0	150,000
FLBK-EQUIPMENT RENT/OPERATIONS	417	162,000	0	0	3,000	50,000	215,000
COMP-COMPLETION RIG	418	0	0	5,000	0	0	5,000
OTHER DRILLING EXPENSE	419	5,000	0	0	0	0	5,000
COMP-ENVIRON & SAFETY CHARGES	421	0	0	20,000	0	0	20,000
ENVIRONMENTAL & SAFETY	421	2,500	0	0	0	0	2,500
DIRECTIONAL DRILLING	422	210,000	0	0	0	0	210,000
COMP- SUPERVISION	424	0	0	165,000	0	0	165,000
SUPERVISION	424	115,000	0	0	0	0	115,000
COMP- COMMUNICATIONS	431	0	0	3,000	0	0	3,000
TUBULAR INSPECTION/HANDLING	436	5,000	0	1,000	0	0	6,000
COMP-CASED HOLE LOGGING/TEST	438	0	0	7,500	0	0	7,500
SPECIALTY SERVICES	441	100,000	0	15,000	0	0	115,000
COMP-WIRELINE SERVICES	442	0	0	8,500	0	0	8,500
COMP-COIL TUBING/NITROGEN	445	0	0	185,000	0	0	185,000
COMP-CONTRACT LABOR MISC	446	0	0	17,500	0	500	18,000
FLBK-DISPOSAL COSTS	447	105,000	0	45,000	0	125,000	275,000
COMP-COMPLETION FLUIDS	448	0	0	7,500	0	0	7,500
TITLE OPINION-DRILL SITE	453	0	10,000	0	0	0	10,000
COMP-FLOWBACK	465	0	0	5,000	0	75,000	80,000
COMP-REUSE WATER	480	0	0	165,000			165,000
COMP-LAND ROW DRILLING	482	0	7,500				7,500
COMP-LAND ROW COMPLETION	483	0	7,500				7,500
COMP-LAND SURVEY & DAMAGES DRILL	484	0	20,000	0	0	0	20,000
COMP-LAND SURVEY & DAMAGES COMP	485	0	20,000	0	0	0	20,000
COMP-REG-PERMIT FEE/ENV SURV&ASSESS	486	0	16,000	0	0	0	16,000
TOTAL INTANGIBLES		\$2,253,000	\$81,000	\$4,619,500	\$3,000	\$272,500	\$7,229,000

	UOM	QTY	SIZE	SIZE	GRADE	RATE					
SURFACE CASING						102	35,000	0	0	0	35,000
INTERMEDIATE CASING						103	200,000	0	0	0	200,000
PRODUCTION CASING						104	680,000	-	0	0	680,000
COMP-TUBING						106	0	0	58,125	0	58,125
WELLHEAD EQUIPMENT						107	71,000	0	82,500	0	153,500
COMP-FAC-FLOW LINES						109	0	0	0	95,000	95,000
COMP-FAC-VALVES & FITTINGS						110	0	0	0	31,000	31,000
COMP-VALVES & FITTINGS						110	0	0	1,500	0	21,500
COMP-PUMP EQUIP/SUBSURFACE						113	0	0	10,500	0	10,500
COMP-FAC- HEATERS,TREATRS,SEPRS						115	0	0	0	100,000	100,000
COMP-FAC-METERING EQUIPMENT						118	0	0	0	24,000	24,000
COMP-FAC-CONSTRUCTION COST						122	0	0	0	41,000	41,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA						124	0	0	0	1,000	1,000
COMP-FAC- INSTRUMENT/ELECTRIC						128	0	0	0	5,000	5,000
COMP-FAC-TRANSPORTATION						415	0	0	0	3,000	3,000
COMP-FAC-ENVIRONMENTAL & SAFETY						421	0	0	0	5,500	5,500
COMP-FAC-ELECTRICAL LABOR						471	0	0	0	3,000	3,000
TOTAL TANGIBLES							\$986,000	\$0	\$152,625	\$308,500	\$1,467,125
TOTAL COST							\$3,239,000	\$81,000	\$4,772,125	\$311,500	\$8,696,125

By	Date	By	Date
JOINT OPERATOR APPROVAL			
Firm :	By	Title	Date



MIDLAND			
AFE No.	112039	Original	
Property No.	076573-000		
EOG W.L.(BCP)	91.667%	(ACP)	91.667%
EOG AFE Amt:	(Drig)	\$3,239,000	
	(Land)	\$81,000	
	(Completion)	\$4,772,125	
	(Facility)	\$311,500	
	(Flowback)	\$292,500	
	Total Cost	\$8,696,125	

AFE Type :	DEVELOPMENT DRILLING	AFE Name :	DOUBLE ABJ 16 FED COM #304H	AFE Date :	8/12/2019	Budget Year :	2020
Reg. Lease No. :		Prospect Name :	DIAMONDTAIL	TVD / MD :	9800 / 19800	Begin Date :	
Location :	Section 16-T24S-R32E, 336 FSL & 1518 FEL, Lat. 32.2112041 Long 103.6759675, X=7444646 Y=441192			BHLocation :	BH(LATERAL #1): Section 9-T24S-R32E, 2540 FSL & 2310 FEL, Lat. 32.2317727 Long 103.6785126, X=743814 Y=448670		
Formation :	FIRST BONE SPRING SAND			DD&A Field :	BONE SPRING SANDS DB		
Operator :	EOG RESOURCES INC	County & State :	LEA / NEW MEXICO	Field :	UNASSIGNED	Water Depth :	
AFE Description :	DOUBLE ABJ 16 FED COM #304H D&C 9,800' TVD TO 19,800' MD IS A 1.5 MILE LATERAL TO BE COMPLETED IN BONE SPRING SANDS FORMATION. THIS WELL IS LOCATED IN SEC16, T24S, R32E IN LEA CO., NM					Product :	OIL
						Days :	0 / 0

DESCRIPTION	SUB ACT	DRILLING 230	LAND 237	COMPLETION 231	FACILITY 235	FLOWBACK 236	TOTAL
ACCESS LOCATION, ROADS&SURVEY	401	75,000	0	7,500	0	0	82,500
COMP-FLBK-LOCATION AND ROADS	401	0	0	0	0	10,000	10,000
COMP-RIG MOVE	402	0	0	0	0	0	0
RIG MOVE	402	225,000	0	0	0	0	225,000
FOOTAGE COST	403	0	0	0	0	0	0
DAY WORK COST	404	500,000	0	0	0	0	500,000
BITS & BHA	405	90,000	0	0	0	0	90,000
COMP-BITS & PHA	405	0	0	17,500	0	0	17,500
COMP - FUEL	406	0	0	295,000	0	5,000	300,000
FUEL	406	65,000	0	0	0	0	65,000
WATER	407	3,500	0	435,000	0	0	438,500
COMP-FLBK-CHEMICALS	408	0	0	0	0	3,000	3,000
MUD & CHEMICALS	408	290,000	0	0	0	0	290,000
CEMENTING & SERVICE	409	265,000	0	0	0	0	265,000
COMP- PERFORATING	413	0	0	433,000	0	0	433,000
COMP- STIMULATION	414	0	0	2,600,000	0	0	2,600,000
COMP-TRANSPORTATION	415	0	0	24,000	0	4,000	28,000
TRANSPORTATION	415	30,000	0	0	0	0	30,000
COMP-Completion Overhead	416	0	0	7,500	0	0	7,500
DRILLING OVERHEAD	416	5,000	0	0	0	0	5,000
COMP-EQUIPMENT RENTAL	417	0	0	150,000	0	0	150,000
FLBK-EQUIPMENT RENT/OPERATIONS	417	162,000	0	0	3,000	50,000	215,000
COMP-COMPLETION RIG	418	0	0	5,000	0	0	5,000
OTHER DRILLING EXPENSE	419	5,000	0	0	0	0	5,000
COMP-ENVIRON & SAFETY CHARGES	421	0	0	20,000	0	0	20,000
ENVIRONMENTAL & SAFETY	421	2,500	0	0	0	0	2,500
DIRECTIONAL DRILLING	422	210,000	0	0	0	0	210,000
COMP- SUPERVISION	424	0	0	165,000	0	0	165,000
SUPERVISION	424	115,000	0	0	0	0	115,000
COMP- COMMUNICATIONS	431	0	0	3,000	0	0	3,000
TUBULAR INSPECTION/HANDLING	436	5,000	0	1,000	0	0	6,000
COMP-CASED HOLE LOGGING/TEST	438	0	0	7,500	0	0	7,500
SPECIALTY SERVICES	441	100,000	0	15,000	0	0	115,000
COMP-WIRELINE SERVICES	442	0	0	8,500	0	0	8,500
COMP-COIL TUBING/NITROGEN	445	0	0	185,000	0	0	185,000
COMP-CONTRACT LABOR MISC	446	0	0	17,500	0	500	18,000
FLBK-DISPOSAL COSTS	447	105,000	0	45,000	0	125,000	275,000
COMP-COMPLETION FLUIDS	448	0	0	7,500	0	0	7,500
TITLE OPINION-DRILL SITE	453	0	10,000	0	0	0	10,000
COMP-FLOWBACK	465	0	0	5,000	0	75,000	80,000
COMP-REUSE WATER	480	0	0	165,000			165,000
COMP-LAND ROW DRILLING	482	0	7,500				7,500
COMP-LAND ROW COMPLETION	483	0	7,500				7,500
COMP-LAND SURVEY & DAMAGES DRILL	484	0	20,000	0	0	0	20,000
COMP-LAND SURVEY & DAMAGES COMP	485	0	20,000	0	0	0	20,000
COMP-REG-PERMIT FEE/ENV SURV&ASSESS	486	0	16,000	0	0	0	16,000
TOTAL INTANGIBLES		\$2,253,000	\$81,000	\$4,619,500	\$3,000	\$272,500	\$7,229,000

	UOM	QTY	SIZE	SIZE	GRADE	RATE					
SURFACE CASING						102	35,000	0	0	0	35,000
INTERMEDIATE CASING						103	200,000	0	0	0	200,000
PRODUCTION CASING						104	680,000	-	0	0	680,000
COMP-TUBING						106	0	0	58,125	0	58,125
WELLHEAD EQUIPMENT						107	71,000	0	82,500	0	153,500
COMP-FAC-FLOW LINES						109	0	0	0	95,000	95,000
COMP-FAC-VALVES & FITTINGS						110	0	0	0	31,000	31,000
COMP-VALVES & FITTINGS						110	0	0	1,500	0	21,500
COMP-PUMP EQUIP/SUBSURFACE						113	0	0	10,500	0	10,500
COMP-FAC-HEATERS,TREATRS,SEPRS						115	0	0	0	100,000	100,000
COMP-FAC-METERING EQUIPMENT						118	0	0	0	24,000	24,000
COMP-FAC-CONSTRUCTION COST						122	0	0	0	41,000	41,000
COMP-FAC-LABR/ELEC MEAS/AUTOMA						124	0	0	0	1,000	1,000
COMP-FAC-INSTRUMENT/ELECTRIC						128	0	0	0	5,000	5,000
COMP-FAC-TRANSPORTATION						415	0	0	0	3,000	3,000
COMP-FAC-ENVIRONMENTAL & SAFETY						421	0	0	0	5,500	5,500
COMP-FAC-ELECTRICAL LABOR						471	0	0	0	3,000	3,000
TOTAL TANGIBLES							\$986,000	\$0	\$152,625	\$308,500	\$1,467,125
TOTAL COST							\$3,239,000	\$81,000	\$4,772,125	\$311,500	\$8,696,125

By	Date	By	Date
JOINT OPERATOR APPROVAL			
Firm :	By	Title	Date

