



Statement of Estimated Well Cost (100%)

| | |
|------------------|--------------------------|
| Well | Jade 34-3 Fed Com 2BS 5H |
| Field | 2nd Bone Springs |
| County, State: | Lea, NM |
| BHL: | Horizontal |
| Proposed TD: | 20,104 MD 10,140 TVD |
| Normal Pressure? | Yes |

| |
|----------------|
| PROP #: |
| WI #: |
| NRI #: |
| AFE #: |

| | | BCP | ACP | TOTAL |
|---|---|------------------|-----|------------------|
| COSTS TO CASING POINT: TANGIBLES | | | | |
| 8510-400 | Conductor Casing or Drive Pipe | \$30,000 | | \$30,000 |
| 8510-405 | Surface Casing | \$89,453 | | \$89,453 |
| 8510-410 | Intermediate Casing/Drlg Liner | \$213,270 | | \$213,270 |
| 8510-415 | Wellhead Equipment - Surface & MLS | \$90,000 | | \$90,000 |
| 8510-420 | Other Sub-Surface Equipment | \$0 | | |
| 8510-425 | Cementing Equipment | \$51,000 | | \$51,000 |
| 8510-500 | Production Casing | \$275,023 | | \$275,023 |
| 8510-600 | Nonoperated | \$0 | | |
| 8510-700 | Impairment | \$0 | | |
| 8510-999 | Accruals | \$0 | | |
| | TOTAL COST TO CASING POINT - TANGIBLES | \$748,746 | | \$748,746 |
| COSTS TO CASING POINT: INTANGIBLES | | | | |
| 8500-100 | Roads/Location | \$100,000 | | \$100,000 |
| 8500-105 | Drilling Turnkey | \$0 | | |
| 8500-110 | Drilling Daywork | \$618,895 | | \$618,895 |
| 8500-115 | Fuel/Power | \$102,000 | | \$102,000 |
| 8500-125 | Equipment Rental | \$192,060 | | \$192,060 |
| 8500-130 | Legal Fees | \$0 | | |
| 8500-135 | Bonds, Permits and Inspection | \$30,000 | | \$30,000 |
| 8500-155 | Mud and Chemicals | \$250,000 | | \$250,000 |
| 8500-160 | Cementing Services | \$220,000 | | \$220,000 |
| 8500-170 | Supervision/Consulting | \$172,000 | | \$172,000 |
| 8500-175 | Casing and Other Tangible Crew | \$69,000 | | \$69,000 |
| 8500-180 | Damages/Penalties | \$0 | | |
| 8500-185 | Coring and Analysis | \$0 | | |
| 8500-190 | Cuttings/Fluids Disposal | \$200,000 | | \$200,000 |
| 8500-195 | Directional Drilling Services | \$442,000 | | \$442,000 |
| 8500-200 | Drill Bits | \$116,500 | | \$116,500 |
| 8500-210 | Surface Damages/ROW | \$0 | | |
| 8500-215 | Contract Labor and Services | \$40,000 | | \$40,000 |
| 8500-220 | Mud Logging | \$0 | | |
| 8500-235 | Reclamation | \$0 | | |
| 8500-240 | Rig Mobilization/Demob | \$132,500 | | \$132,500 |
| 8500-245 | Fishing Tools and Services | \$0 | | |
| 8500-250 | Testing-Drill Stem/Production | \$0 | | |
| 8500-260 | Wireline Services | \$0 | | |
| 8500-265 | Water | \$38,500 | | \$38,500 |
| 8500-270 | Camp Expenses | \$56,900 | | \$56,900 |
| 8500-285 | Contingencies | \$0 | | |
| 8500-290 | Environmental | \$0 | | |
| 8500-300 | Overhead | \$0 | | |
| 8500-350 | Insurance | \$0 | | |
| 8500-600 | Nonoperated | \$0 | | |

| | | | | |
|----------|---|--|--------------------|--------------------|
| 8500-700 | Impairment | | \$0 | |
| 8500-999 | Accruals | | \$0 | |
| | TOTAL COST TO CASING POINT - INTANGIBLES | | \$2,780,355 | \$2,780,355 |
| | COMPLETION COSTS: TANGIBLES | | | |
| 8530-415 | Wellhead | | \$25,000 | \$25,000 |
| 8530-420 | Subsurface Equipment | | \$0 | |
| 8530-510 | Tubing | | \$44,920 | \$44,920 |
| 8530-515 | Rods | | \$0 | |
| 8530-525 | Artificial Lift Equipment | | \$60,000 | \$60,000 |
| 8530-530 | Gas Metering Equipment | | \$30,000 | \$30,000 |
| 8530-531 | Electrical | | \$30,000 | \$30,000 |
| 8530-535 | LACT Unit | | \$0 | |
| 8530-540 | Production Facilities and Flowlines | | \$115,000 | \$115,000 |
| 8530-545 | Pumping Unit | | \$0 | |
| 8530-550 | Separator, Heater, Treater | | \$80,000 | \$80,000 |
| 8530-555 | Tank Battery | | \$75,000 | \$75,000 |
| 8530-560 | Vapor Recovery Unit | | \$0 | |
| 8530-590 | Other Misc Equipment | | \$0 | |
| 8530-600 | Nonoperated | | \$0 | |
| 8530-700 | Impairment | | \$0 | |
| 8530-999 | Accruals | | \$0 | |
| | TOTAL COMPLETION COST - TANGIBLES | | \$459,920 | \$459,920 |
| | COMPLETION COSTS: INTANGIBLES | | | |
| 8520-100 | Roads/Location | | \$5,000 | \$5,000 |
| 8520-120 | Perforating Services | | \$155,500 | \$155,500 |
| 8520-125 | Equipment Rental | | \$120,000 | \$120,000 |
| 8520-135 | Bonds, Permits and Inspection | | \$0 | |
| 8520-145 | Completion Unit | | \$200,000 | \$200,000 |
| 8520-150 | Frac Plugs | | \$50,400 | \$50,400 |
| 8520-155 | Mud and Chemicals | | \$20,000 | \$20,000 |
| 8520-160 | Cementing Services | | \$0 | |
| 8520-165 | Acidizing and Fracturing | | \$1,650,000 | \$1,650,000 |
| 8520-170 | Supervision/Consulting | | \$63,000 | \$63,000 |
| 8520-175 | Casing and Other Tangible Crew | | \$0 | |
| 8520-190 | Cuttings/Fluids Disposal | | \$15,000 | \$15,000 |
| 8520-200 | Drill Bits | | \$30,000 | \$30,000 |
| 8520-210 | Surface Damages/ROW | | \$0 | |
| 8520-215 | Contract Labor and Services | | \$10,000 | \$10,000 |
| 8520-230 | Pump/Vacuum Trucks | | \$10,000 | \$10,000 |
| 8520-235 | Reclamation | | \$0 | |
| 8520-245 | Fishing Tools and Services | | \$0 | |
| 8520-250 | Well Testing | | \$112,000 | \$112,000 |
| 8520-255 | Trucking and Hauling | | \$0 | |
| 8520-260 | Wireline Services | | \$5,500 | \$5,500 |
| 8520-270 | Camp Expenses | | \$10,000 | \$10,000 |
| 8520-275 | Coiled Tubing Services | | \$0 | |
| 8520-280 | Frac Water | | \$432,000 | \$432,000 |
| 8520-285 | Contingencies | | \$0 | |
| 8520-290 | Environmental | | \$0 | |
| 8520-300 | Overhead | | \$0 | |
| 8520-350 | Insurance | | \$0 | |
| 8520-600 | Nonoperated | | \$0 | |
| 8520-700 | Impairment | | \$0 | |
| 8520-999 | Accruals | | \$0 | |
| | TOTAL COMPLETION COST - INTANGIBLES | | \$2,888,400 | \$2,888,400 |
| | TOTAL WELL COST | | \$3,529,101 | \$3,348,320 |
| | | | | \$6,877,421 |

Approved by: _____

Date: _____

Approved by: _____

Date: _____

Approved by: _____

Date: _____



Statement of Estimated Well Cost (100%)

| | |
|------------------|--------------------------|
| Well | Jade 34-3 Fed Com 2BS 6H |
| Field | 2nd Bone Springs |
| County, State: | Lea, NM |
| BHL: | Horizontal |
| Proposed TD: | 20,832 MD 10,140 TVD |
| Normal Pressure? | Yes |

| |
|---------|
| PROP #: |
| WI #: |
| NRI #: |
| AFE #: |

| | | BCP | ACP | TOTAL |
|---|---|------------------|-----|------------------|
| COSTS TO CASING POINT: TANGIBLES | | | | |
| 8510-400 | Conductor Casing or Drive Pipe | \$30,000 | | \$30,000 |
| 8510-405 | Surface Casing | \$89,453 | | \$89,453 |
| 8510-410 | Intermediate Casing/Drlg Liner | \$213,270 | | \$213,270 |
| 8510-415 | Wellhead Equipment - Surface & MLS | \$90,000 | | \$90,000 |
| 8510-420 | Other Sub-Surface Equipment | \$0 | | |
| 8510-425 | Cementing Equipment | \$51,000 | | \$51,000 |
| 8510-500 | Production Casing | \$284,982 | | \$284,982 |
| 8510-600 | Nonoperated | \$0 | | |
| 8510-700 | Impairment | \$0 | | |
| 8510-999 | Accruals | \$0 | | |
| | TOTAL COST TO CASING POINT - TANGIBLES | \$758,705 | | \$758,705 |
| COSTS TO CASING POINT: INTANGIBLES | | | | |
| 8500-100 | Roads/Location | \$100,000 | | \$100,000 |
| 8500-105 | Drilling Turnkey | \$0 | | |
| 8500-110 | Drilling Daywork | \$618,895 | | \$618,895 |
| 8500-115 | Fuel/Power | \$102,000 | | \$102,000 |
| 8500-125 | Equipment Rental | \$192,060 | | \$192,060 |
| 8500-130 | Legal Fees | \$0 | | |
| 8500-135 | Bonds, Permits and Inspection | \$30,000 | | \$30,000 |
| 8500-155 | Mud and Chemicals | \$250,000 | | \$250,000 |
| 8500-160 | Cementing Services | \$220,000 | | \$220,000 |
| 8500-170 | Supervision/Consulting | \$172,000 | | \$172,000 |
| 8500-175 | Casing and Other Tangible Crew | \$69,000 | | \$69,000 |
| 8500-180 | Damages/Penalties | \$0 | | |
| 8500-185 | Coring and Analysis | \$0 | | |
| 8500-190 | Cuttings/Fluids Disposal | \$200,000 | | \$200,000 |
| 8500-195 | Directional Drilling Services | \$442,000 | | \$442,000 |
| 8500-200 | Drill Bits | \$116,500 | | \$116,500 |
| 8500-210 | Surface Damages/ROW | \$0 | | |
| 8500-215 | Contract Labor and Services | \$40,000 | | \$40,000 |
| 8500-220 | Mud Logging | \$0 | | |
| 8500-235 | Reclamation | \$0 | | |
| 8500-240 | Rig Mobilization/Demob | \$132,500 | | \$132,500 |
| 8500-245 | Fishing Tools and Services | \$0 | | |
| 8500-250 | Testing-Drill Stem/Production | \$0 | | |
| 8500-260 | Wireline Services | \$0 | | |
| 8500-265 | Water | \$38,500 | | \$38,500 |
| 8500-270 | Camp Expenses | \$56,900 | | \$56,900 |
| 8500-285 | Contingencies | \$0 | | |
| 8500-290 | Environmental | \$0 | | |
| 8500-300 | Overhead | \$0 | | |
| 8500-350 | Insurance | \$0 | | |
| 8500-600 | Nonoperated | \$0 | | |

| | | | | |
|----------|---|--|--------------------|--------------------|
| 8500-700 | Impairment | | \$0 | |
| 8500-999 | Accruals | | \$0 | |
| | TOTAL COST TO CASING POINT - INTANGIBLES | | \$2,780,355 | \$2,780,355 |
| | COMPLETION COSTS: TANGIBLES | | | |
| 8530-415 | Wellhead | | \$25,000 | \$25,000 |
| 8530-420 | Subsurface Equipment | | \$0 | |
| 8530-510 | Tubing | | \$44,920 | \$44,920 |
| 8530-515 | Rods | | \$0 | |
| 8530-525 | Artificial Lift Equipment | | \$60,000 | \$60,000 |
| 8530-530 | Gas Metering Equipment | | \$30,000 | \$30,000 |
| 8530-531 | Electrical | | \$30,000 | \$30,000 |
| 8530-535 | LACT Unit | | \$0 | |
| 8530-540 | Production Facilities and Flowlines | | \$115,000 | \$115,000 |
| 8530-545 | Pumping Unit | | \$0 | |
| 8530-550 | Separator, Heater, Treater | | \$80,000 | \$80,000 |
| 8530-555 | Tank Battery | | \$75,000 | \$75,000 |
| 8530-560 | Vapor Recovery Unit | | \$0 | |
| 8530-590 | Other Misc Equipment | | \$0 | |
| 8530-600 | Nonoperated | | \$0 | |
| 8530-700 | Impairment | | \$0 | |
| 8530-999 | Accruals | | \$0 | |
| | TOTAL COMPLETION COST - TANGIBLES | | \$459,920 | \$459,920 |
| | COMPLETION COSTS: INTANGIBLES | | | |
| 8520-100 | Roads/Location | | \$5,000 | \$5,000 |
| 8520-120 | Perforating Services | | \$155,500 | \$155,500 |
| 8520-125 | Equipment Rental | | \$120,000 | \$120,000 |
| 8520-135 | Bonds, Permits and Inspection | | \$0 | |
| 8520-145 | Completion Unit | | \$200,000 | \$200,000 |
| 8520-150 | Frac Plugs | | \$50,400 | \$50,400 |
| 8520-155 | Mud and Chemicals | | \$20,000 | \$20,000 |
| 8520-160 | Cementing Services | | \$0 | |
| 8520-165 | Acidizing and Fracturing | | \$1,650,000 | \$1,650,000 |
| 8520-170 | Supervision/Consulting | | \$63,000 | \$63,000 |
| 8520-175 | Casing and Other Tangible Crew | | \$0 | |
| 8520-190 | Cuttings/Fluids Disposal | | \$15,000 | \$15,000 |
| 8520-200 | Drill Bits | | \$30,000 | \$30,000 |
| 8520-210 | Surface Damages/ROW | | \$0 | |
| 8520-215 | Contract Labor and Services | | \$10,000 | \$10,000 |
| 8520-230 | Pump/Vacuum Trucks | | \$10,000 | \$10,000 |
| 8520-235 | Reclamation | | \$0 | |
| 8520-245 | Fishing Tools and Services | | \$0 | |
| 8520-250 | Well Testing | | \$112,000 | \$112,000 |
| 8520-255 | Trucking and Hauling | | \$0 | |
| 8520-260 | Wireline Services | | \$5,500 | \$5,500 |
| 8520-270 | Camp Expenses | | \$10,000 | \$10,000 |
| 8520-275 | Coiled Tubing Services | | \$0 | |
| 8520-280 | Frac Water | | \$432,000 | \$432,000 |
| 8520-285 | Contingencies | | \$0 | |
| 8520-290 | Environmental | | \$0 | |
| 8520-300 | Overhead | | \$0 | |
| 8520-350 | Insurance | | \$0 | |
| 8520-600 | Nonoperated | | \$0 | |
| 8520-700 | Impairment | | \$0 | |
| 8520-999 | Accruals | | \$0 | |
| | TOTAL COMPLETION COST - INTANGIBLES | | \$2,888,400 | \$2,888,400 |
| | TOTAL WELL COST | | \$3,539,060 | \$3,348,320 |
| | | | | \$6,887,380 |

Approved by: _____

Date: _____

Approved by: _____

Date: _____

Approved by: _____

Date: _____



Statement of Estimated Well Cost (100%)

| | |
|------------------|--------------------------|
| Well | Jade 34-3 Fed Com 1BS 9H |
| Field | 1st Bone Springs |
| County, State: | Lea, NM |
| BHL: | Horizontal |
| Proposed TD: | 19,200 MD 9,246 TVD |
| Normal Pressure? | Yes |

| |
|---------|
| PROP #: |
| WI #: |
| NRI #: |
| AFE #: |

| | | BCP | ACP | TOTAL |
|---|---|------------------|-----|------------------|
| COSTS TO CASING POINT: TANGIBLES | | | | |
| 8510-400 | Conductor Casing or Drive Pipe | \$30,000 | | \$30,000 |
| 8510-405 | Surface Casing | \$89,453 | | \$89,453 |
| 8510-410 | Intermediate Casing/Drlg Liner | \$213,270 | | \$213,270 |
| 8510-415 | Wellhead Equipment - Surface & MLS | \$90,000 | | \$90,000 |
| 8510-420 | Other Sub-Surface Equipment | \$0 | | |
| 8510-425 | Cementing Equipment | \$51,000 | | \$51,000 |
| 8510-500 | Production Casing | \$262,656 | | \$262,656 |
| 8510-600 | Nonoperated | \$0 | | |
| 8510-700 | Impairment | \$0 | | |
| 8510-999 | Accruals | \$0 | | |
| | TOTAL COST TO CASING POINT - TANGIBLES | \$736,379 | | \$736,379 |
| COSTS TO CASING POINT: INTANGIBLES | | | | |
| 8500-100 | Roads/Location | \$100,000 | | \$100,000 |
| 8500-105 | Drilling Turnkey | \$0 | | |
| 8500-110 | Drilling Daywork | \$618,895 | | \$618,895 |
| 8500-115 | Fuel/Power | \$102,000 | | \$102,000 |
| 8500-125 | Equipment Rental | \$192,060 | | \$192,060 |
| 8500-130 | Legal Fees | \$0 | | |
| 8500-135 | Bonds, Permits and Inspection | \$30,000 | | \$30,000 |
| 8500-155 | Mud and Chemicals | \$250,000 | | \$250,000 |
| 8500-160 | Cementing Services | \$220,000 | | \$220,000 |
| 8500-170 | Supervision/Consulting | \$172,000 | | \$172,000 |
| 8500-175 | Casing and Other Tangible Crew | \$69,000 | | \$69,000 |
| 8500-180 | Damages/Penalties | \$0 | | |
| 8500-185 | Coring and Analysis | \$0 | | |
| 8500-190 | Cuttings/Fluids Disposal | \$200,000 | | \$200,000 |
| 8500-195 | Directional Drilling Services | \$442,000 | | \$442,000 |
| 8500-200 | Drill Bits | \$116,500 | | \$116,500 |
| 8500-210 | Surface Damages/ROW | \$0 | | |
| 8500-215 | Contract Labor and Services | \$40,000 | | \$40,000 |
| 8500-220 | Mud Logging | \$0 | | |
| 8500-235 | Reclamation | \$0 | | |
| 8500-240 | Rig Mobilization/Demob | \$132,500 | | \$132,500 |
| 8500-245 | Fishing Tools and Services | \$0 | | |
| 8500-250 | Testing-Drill Stem/Production | \$0 | | |
| 8500-260 | Wireline Services | \$0 | | |
| 8500-265 | Water | \$38,500 | | \$38,500 |
| 8500-270 | Camp Expenses | \$56,900 | | \$56,900 |
| 8500-285 | Contingencies | \$0 | | |
| 8500-290 | Environmental | \$0 | | |
| 8500-300 | Overhead | \$0 | | |
| 8500-350 | Insurance | \$0 | | |
| 8500-600 | Nonoperated | \$0 | | |

| | | | | | |
|----------|---|--|--------------------|--------------------|--------------------|
| 8500-700 | Impairment | | \$0 | | |
| 8500-999 | Accruals | | \$0 | | |
| | TOTAL COST TO CASING POINT - INTANGIBLES | | \$2,780,355 | | \$2,780,355 |
| | COMPLETION COSTS: TANGIBLES | | | | |
| 8530-415 | Wellhead | | \$25,000 | | \$25,000 |
| 8530-420 | Subsurface Equipment | | \$0 | | |
| 8530-510 | Tubing | | \$40,960 | | \$40,960 |
| 8530-515 | Rods | | \$0 | | |
| 8530-525 | Artificial Lift Equipment | | \$60,000 | | \$60,000 |
| 8530-530 | Gas Metering Equipment | | \$30,000 | | \$30,000 |
| 8530-531 | Electrical | | \$30,000 | | \$30,000 |
| 8530-535 | LACT Unit | | \$0 | | |
| 8530-540 | Production Facilities and Flowlines | | \$115,000 | | \$115,000 |
| 8530-545 | Pumping Unit | | \$0 | | |
| 8530-550 | Separator, Heater, Treater | | \$80,000 | | \$80,000 |
| 8530-555 | Tank Battery | | \$75,000 | | \$75,000 |
| 8530-560 | Vapor Recovery Unit | | \$0 | | |
| 8530-590 | Other Misc Equipment | | \$0 | | |
| 8530-600 | Nonoperated | | \$0 | | |
| 8530-700 | Impairment | | \$0 | | |
| 8530-999 | Accruals | | \$0 | | |
| | TOTAL COMPLETION COST - TANGIBLES | | \$455,960 | | \$455,960 |
| | COMPLETION COSTS: INTANGIBLES | | | | |
| 8520-100 | Roads/Location | | \$5,000 | | \$5,000 |
| 8520-120 | Perforating Services | | \$155,500 | | \$155,500 |
| 8520-125 | Equipment Rental | | \$120,000 | | \$120,000 |
| 8520-135 | Bonds, Permits and Inspection | | \$0 | | |
| 8520-145 | Completion Unit | | \$200,000 | | \$200,000 |
| 8520-150 | Frac Plugs | | \$50,400 | | \$50,400 |
| 8520-155 | Mud and Chemicals | | \$20,000 | | \$20,000 |
| 8520-160 | Cementing Services | | \$0 | | |
| 8520-165 | Acidizing and Fracturing | | \$1,650,000 | | \$1,650,000 |
| 8520-170 | Supervision/Consulting | | \$63,000 | | \$63,000 |
| 8520-175 | Casing and Other Tangible Crew | | \$0 | | |
| 8520-190 | Cuttings/Fluids Disposal | | \$15,000 | | \$15,000 |
| 8520-200 | Drill Bits | | \$30,000 | | \$30,000 |
| 8520-210 | Surface Damages/ROW | | \$0 | | |
| 8520-215 | Contract Labor and Services | | \$10,000 | | \$10,000 |
| 8520-230 | Pump/Vacuum Trucks | | \$10,000 | | \$10,000 |
| 8520-235 | Reclamation | | \$0 | | |
| 8520-245 | Fishing Tools and Services | | \$0 | | |
| 8520-250 | Well Testing | | \$112,000 | | \$112,000 |
| 8520-255 | Trucking and Hauling | | \$0 | | |
| 8520-260 | Wireline Services | | \$5,500 | | \$5,500 |
| 8520-270 | Camp Expenses | | \$10,000 | | \$10,000 |
| 8520-275 | Coiled Tubing Services | | \$0 | | |
| 8520-280 | Frac Water | | \$432,000 | | \$432,000 |
| 8520-285 | Contingencies | | \$0 | | |
| 8520-290 | Environmental | | \$0 | | |
| 8520-300 | Overhead | | \$0 | | |
| 8520-350 | Insurance | | \$0 | | |
| 8520-600 | Nonoperated | | \$0 | | |
| 8520-700 | Impairment | | \$0 | | |
| 8520-999 | Accruals | | \$0 | | |
| | TOTAL COMPLETION COST - INTANGIBLES | | \$2,888,400 | | \$2,888,400 |
| | TOTAL WELL COST | | \$3,516,734 | \$3,344,360 | \$6,861,094 |

Approved by: _____

Date: _____

Approved by: _____

Date: _____

Approved by: _____

Date: _____



Statement of Estimated Well Cost (100%)

| | |
|------------------|---------------------------|
| Well | Jade 34-3 Fed Com 1BS 10H |
| Field | 1st Bone Springs |
| County, State: | Lea, NM |
| BHL: | Horizontal |
| Proposed TD: | 19,200 MD 9,246 TVD |
| Normal Pressure? | Yes |

| |
|---------|
| PROP #: |
| WI #: |
| NRI #: |
| AFE #: |

| | | BCP | ACP | TOTAL |
|---|---|------------------|-----|------------------|
| COSTS TO CASING POINT: TANGIBLES | | | | |
| 8510-400 | Conductor Casing or Drive Pipe | \$30,000 | | \$30,000 |
| 8510-405 | Surface Casing | \$89,453 | | \$89,453 |
| 8510-410 | Intermediate Casing/Drlg Liner | \$213,270 | | \$213,270 |
| 8510-415 | Wellhead Equipment - Surface & MLS | \$90,000 | | \$90,000 |
| 8510-420 | Other Sub-Surface Equipment | \$0 | | |
| 8510-425 | Cementing Equipment | \$51,000 | | \$51,000 |
| 8510-500 | Production Casing | \$262,656 | | \$262,656 |
| 8510-600 | Nonoperated | \$0 | | |
| 8510-700 | Impairment | \$0 | | |
| 8510-999 | Accruals | \$0 | | |
| | TOTAL COST TO CASING POINT - TANGIBLES | \$736,379 | | \$736,379 |
| COSTS TO CASING POINT: INTANGIBLES | | | | |
| 8500-100 | Roads/Location | \$100,000 | | \$100,000 |
| 8500-105 | Drilling Turnkey | \$0 | | |
| 8500-110 | Drilling Daywork | \$618,895 | | \$618,895 |
| 8500-115 | Fuel/Power | \$102,000 | | \$102,000 |
| 8500-125 | Equipment Rental | \$192,060 | | \$192,060 |
| 8500-130 | Legal Fees | \$0 | | |
| 8500-135 | Bonds, Permits and Inspection | \$30,000 | | \$30,000 |
| 8500-155 | Mud and Chemicals | \$250,000 | | \$250,000 |
| 8500-160 | Cementing Services | \$220,000 | | \$220,000 |
| 8500-170 | Supervision/Consulting | \$172,000 | | \$172,000 |
| 8500-175 | Casing and Other Tangible Crew | \$69,000 | | \$69,000 |
| 8500-180 | Damages/Penalties | \$0 | | |
| 8500-185 | Coring and Analysis | \$0 | | |
| 8500-190 | Cuttings/Fluids Disposal | \$200,000 | | \$200,000 |
| 8500-195 | Directional Drilling Services | \$442,000 | | \$442,000 |
| 8500-200 | Drill Bits | \$116,500 | | \$116,500 |
| 8500-210 | Surface Damages/ROW | \$0 | | |
| 8500-215 | Contract Labor and Services | \$40,000 | | \$40,000 |
| 8500-220 | Mud Logging | \$0 | | |
| 8500-235 | Reclamation | \$0 | | |
| 8500-240 | Rig Mobilization/Demob | \$132,500 | | \$132,500 |
| 8500-245 | Fishing Tools and Services | \$0 | | |
| 8500-250 | Testing-Drill Stem/Production | \$0 | | |
| 8500-260 | Wireline Services | \$0 | | |
| 8500-265 | Water | \$38,500 | | \$38,500 |
| 8500-270 | Camp Expenses | \$56,900 | | \$56,900 |
| 8500-285 | Contingencies | \$0 | | |
| 8500-290 | Environmental | \$0 | | |
| 8500-300 | Overhead | \$0 | | |
| 8500-350 | Insurance | \$0 | | |
| 8500-600 | Nonoperated | \$0 | | |

| | | | | | |
|----------|---|--|--------------------|--------------------|--------------------|
| 8500-700 | Impairment | | \$0 | | |
| 8500-999 | Accruals | | \$0 | | |
| | TOTAL COST TO CASING POINT - INTANGIBLES | | \$2,780,355 | | \$2,780,355 |
| | COMPLETION COSTS: TANGIBLES | | | | |
| 8530-415 | Wellhead | | \$25,000 | | \$25,000 |
| 8530-420 | Subsurface Equipment | | \$0 | | |
| 8530-510 | Tubing | | \$40,960 | | \$40,960 |
| 8530-515 | Rods | | \$0 | | |
| 8530-525 | Artificial Lift Equipment | | \$60,000 | | \$60,000 |
| 8530-530 | Gas Metering Equipment | | \$30,000 | | \$30,000 |
| 8530-531 | Electrical | | \$30,000 | | \$30,000 |
| 8530-535 | LACT Unit | | \$0 | | |
| 8530-540 | Production Facilities and Flowlines | | \$115,000 | | \$115,000 |
| 8530-545 | Pumping Unit | | \$0 | | |
| 8530-550 | Separator, Heater, Treater | | \$80,000 | | \$80,000 |
| 8530-555 | Tank Battery | | \$75,000 | | \$75,000 |
| 8530-560 | Vapor Recovery Unit | | \$0 | | |
| 8530-590 | Other Misc Equipment | | \$0 | | |
| 8530-600 | Nonoperated | | \$0 | | |
| 8530-700 | Impairment | | \$0 | | |
| 8530-999 | Accruals | | \$0 | | |
| | TOTAL COMPLETION COST - TANGIBLES | | \$455,960 | | \$455,960 |
| | COMPLETION COSTS: INTANGIBLES | | | | |
| 8520-100 | Roads/Location | | \$5,000 | | \$5,000 |
| 8520-120 | Perforating Services | | \$155,500 | | \$155,500 |
| 8520-125 | Equipment Rental | | \$120,000 | | \$120,000 |
| 8520-135 | Bonds, Permits and Inspection | | \$0 | | |
| 8520-145 | Completion Unit | | \$200,000 | | \$200,000 |
| 8520-150 | Frac Plugs | | \$50,400 | | \$50,400 |
| 8520-155 | Mud and Chemicals | | \$20,000 | | \$20,000 |
| 8520-160 | Cementing Services | | \$0 | | |
| 8520-165 | Acidizing and Fracturing | | \$1,650,000 | | \$1,650,000 |
| 8520-170 | Supervision/Consulting | | \$63,000 | | \$63,000 |
| 8520-175 | Casing and Other Tangible Crew | | \$0 | | |
| 8520-190 | Cuttings/Fluids Disposal | | \$15,000 | | \$15,000 |
| 8520-200 | Drill Bits | | \$30,000 | | \$30,000 |
| 8520-210 | Surface Damages/ROW | | \$0 | | |
| 8520-215 | Contract Labor and Services | | \$10,000 | | \$10,000 |
| 8520-230 | Pump/Vacuum Trucks | | \$10,000 | | \$10,000 |
| 8520-235 | Reclamation | | \$0 | | |
| 8520-245 | Fishing Tools and Services | | \$0 | | |
| 8520-250 | Well Testing | | \$112,000 | | \$112,000 |
| 8520-255 | Trucking and Hauling | | \$0 | | |
| 8520-260 | Wireline Services | | \$5,500 | | \$5,500 |
| 8520-270 | Camp Expenses | | \$10,000 | | \$10,000 |
| 8520-275 | Coiled Tubing Services | | \$0 | | |
| 8520-280 | Frac Water | | \$432,000 | | \$432,000 |
| 8520-285 | Contingencies | | \$0 | | |
| 8520-290 | Environmental | | \$0 | | |
| 8520-300 | Overhead | | \$0 | | |
| 8520-350 | Insurance | | \$0 | | |
| 8520-600 | Nonoperated | | \$0 | | |
| 8520-700 | Impairment | | \$0 | | |
| 8520-999 | Accruals | | \$0 | | |
| | TOTAL COMPLETION COST - INTANGIBLES | | \$2,888,400 | | \$2,888,400 |
| | TOTAL WELL COST | | \$3,516,734 | \$3,344,360 | \$6,861,094 |

Approved by: _____

Date: _____

Approved by: _____

Date: _____

Approved by: _____

Date: _____