MEWBOURNE OIL COMPANY

AUTHORIZATION FOR EXPENDITURE

Well Name: Yardbirds 3 W2AP Fee #1H Prospect:

Location: SL 185 FNL & 400 FEL, BHL 330 FSL & 400 FEL County: Eddy ST: NM

Sec: 3 Blk: Survey: TWP: 24S RNG: 28E Prop TVD: 10583 TMD: 15100

INTANGIBLE COSTS 0180		CODE	TCP	CODE	CC
Regulatory Permits & Surveys		0180-0100	$5 000	0180-0200	
Location / Road / Site / Preparation		0180-0105	$30 000	0180-0205	$30 000
Location / Restoration		0180-0106	$175 000	0180-0206	$20 000
Daywork / Turnkey / Footage Drilling	22 days drlg & 3 days comp @ $16250/day	0180-0110	$382 000	0180-0210	$53 000
Fuel	1500 gal/day @ $1 70/gal	0180-0114	$68 100		
Mud Chemical & Additives		0180-0120	$120 000	0180-0220	
Horizontal Drillout Services	Coil Tbg Drillout			0180 0222	$75 000
Cementing	2 Stg 7 w/ ECP	0180-0125	$80 000	0180-0225	$20 000
Logging & Wireline Services		0180-0130	$3 000	0180-0230	$130 000
Casing / Tubing / Snubbing Service		0180-0134	$25 000	0180-0234	$15 000
Mud Logging		0180-0137	$20 000		
Stimulation	27 Stg 8 9MM gal/7 1MM lb			0180-0241	$1 270 000
Stimulation Rentals & Other				0180-0242	$100 000
Water & Other		0180-0145	$40 000	0180-0245	$340 000
Bits		0180-0148	$63 000	0180-0248	$4 000
Inspection & Repair Services		0180-0150	$40 000	0180-0250	$5 000
Misc Air & Pumping Services		0180-0154		0180-0254	$10 000
Testing & Flowback Services		0180-0158	$15 000	0180-0258	$25,000
Completion / Workover Rig	4 days @ $3500/day Toe Prep			0180-0260	$15 000
Rig Mobilization		0180-0164	$40 000		
Transportation		0180-0165	$20 000	0180-0265	$12 000
Welding Services		0180-0168	$5 000	0180-0268	$5 000
Contract Services & Supervision		0180-0170		0180-0270	
Directional Services		0180-0175	$140 000		
Equipment Rental		0180-0180	$150 000	0180-0280	$30,000
Well / Lease Legal		0180-0184	$5 000	0180-0284	
Well / Lease Insurance		0180-0185	$4 800	0180-0285	
Intangible Supplies		0180-0188	$8 000	0180-0288	$1 000
Damages		0180-0190	$20 000	0180-0290	
ROW & Easements		0180-0192		0180-0292	$20 000
Pipeline Interconnect				0180-0293	
Company Supervision		0180-0195	$110 000	0180-0295	$70 000
Overhead Fixed Rate		0180-0196	$10 000	0180-0296	$20 000
Well Abandonment		0180-0198		0180-0298	
Contingencies	10% (TCP) 5% (CC)	0180-0199	$157 900	0180-0299	$113 500
	TOTAL		$1,736,800		$2,383,500
TANGIBLE COSTS 0181					
Casing (19 1 30)		0181 0793			
Casing (10 1 19 0)	165 13 3/8 54 5# J55 STC @ $25 87/ft GRT	0181 0794	$4 600		
Casing (8 1 10 0)	2500 9 5/8 40# N80 LTC @ $22 20/ft GRT	0181 0795	$59 300		
Casing (6 1 8 0)	10700' 7 26# P110 LTC @ $16 49/ft GRT	0181 0796	$188 500		
Casing (4 1 6 0)	5125 4 1/2 13 5# P110 LTC @ $9 28/ft GRT			0181 0797	$50 800
Tubing (2 4)				0181 0798	
Drilling Head		0181 0860	$20 000		
Tubing Head & Upper Section	Includes 10K Frac Valve & Tree			0181 0870	$48 000
Horizontal Completion Tools	Liner Hanger			0181 0871	$27 000
Sucker Rods				0181 0875	
Subsurface Equipment				0181 0880	
Artificial Lift Systems				0181 0884	
Pumping Unit				0181 0885	
Surface Pumps & Prime Movers	(1/2) VRU/SWD transfer pump			0181 0886	$25 000
Tanks Oil 4 500 bbl steel				0181 0890	$38 000
Tanks Water 4 500 bbl steel coated				0181-0891	$44 000
Separation / Treating Equipment	36 x15 x1k# Hor 3ph/30"x10 x1k# 3ph/Gun Bbl			0181-0895	$55 000
Heater Treaters Line Heaters	6 x20 x75# HT			0181-0897	$13 000
Metering Equipment				0181 0898	$7 000
Line Pipe & Valves Gathering	SWD Trunk Line Upgrade			0181-0900	$30 000
Fittings / Valves & Accessories				0181 0906	$50 000
Cathodic Protection				0181-0908	$5 000
Electrical Installation				0181 0909	
Equipment Installation				0181 0910	$40 000
Pipeline Construction	SWD Trunk Line Upgrade			0181-0920	$60 000
	TOTAL		$272,400		$492,800
	SUBTOTAL		$2 009 200		$2 876,300
	TOTAL WELL COST		$4,885 500		

Prepared by: A Taylor Date: 12/1/2016

Co Approval: M Whitlock Date: 12/5/2016

Joint Owner Interest _____ Amount _____

Joint Owner Name Signature

Operator has s ed Operators E tr E p se I s ran g costs of well cont ol lean p and ed ll gas t mat d L Item 0180 0185 N
Operator may lect NOT to be co e ed by th s Ope to s E t a E pe se I s a ly by s gn ng below The ndersigned elects NOT to be covered by Operator's Extra Expe se Insurance fo their well

Joint Owner Name Signature

Form Rev 9/01/2015

EXHIBIT 4