API NUMBER: 083 24249

Oil & Gas

Horizontal Hole

OKLAHOMA CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION P.O. BOX 52000 OKLAHOMA CITY, OK 73152-2000 (Rule 165:10-3-1)

Approval Date: 01/17/2014
Expiration Date: 07/17/2014

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 19N Rge: 4W County: LOGAN

SPOT LOCATION: SW SW SW SE FEET FROM QUARTER: FROM SOUTH FROM WEST SECTION LINES: 300 151

Lease Name: FUXA Well No: 1-16H Well will be 151 feet from nearest unit or lease boundary.

Operator SLAWSON EXPLORATION CO INC Telephone: 4052320201 OTC/OCC Number: 17313 0

SLAWSON EXPLORATION CO INC 204 N ROBINSON AVE STE 2300

OKLAHOMA CITY, OK 73102-6891

JAMES YOCHAM 523 N. MISSORUI

MARSHALL OK 73056

Formation(s) (Permit Valid for Listed Formations Only):

Name Depth Name Depth MISSISSIPPIAN 1 5700 6 2 WOODFORD 6200 7 3 8 4 9 10 608644 Spacing Orders: Location Exception Orders: 610635 Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 12000 Ground Elevation: 1003 Surface Casing: 380 Depth to base of Treatable Water-Bearing FM: 330

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

PIT 1 INFORMATION Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED
Chlorides Max: 5000 Average: 3000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C
Pit Location is BED AQUIFER
Pit Location Formation: GARBER

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26220

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION

HORIZONTAL HOLE 1

Sec 16 Twp 19N Rge 4W County LOGAN Spot Location of End Point: NW NE NE NW Feet From: NORTH 1/4 Section Line: 200

Feet From: EAST 1/4 Section Line: 449

Depth of Deviation: 5500 Radius of Turn: 1000

Direction: 360
Total Length: 4929

Measured Total Depth: 12000

True Vertical Depth: 6200

End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Category Description

LOCATION EXCEPTION - 610635 1/16/2014 - G30 - (I.O.) 16-19N-4W

X608644 MSSP, WDFD, OTHER

SHL NCT 200 FNL, NCT 200 FWL 15-19N-4W**
POE NCT 200 FNL, NCT 660 FEL 16-19N-4W
BHL NCT 200 FSL, NCT 660 FEL 16-19N-4W
SLAWSON EXPLORATION CO., INC.

4/22/13

**SHL TO BE CORRECTED AT HEARING FOR FINAL ORDER PER OPERATOR

SPACING - 608644 1/16/2014 - G30 - (640 HOR) 16-19N-4W

DEL 63648 MSSLM

EXT 603349 MSSP, WDFD, OTHER POE TO BHL (MSSP) NCT 660' FB POE TO BHL (WDFD) NCT 330' FB

(SUPERCEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNIT)