PI NUMBER: 045 23516 rizontal Hole Oil & Gas	OIL & GAS CO P.C OKLAHOMA (Rul	RPORATION COMMISSION NSERVATION DIVISION D. BOX 52000 CITY, OK 73152-2000 le 165:10-3-1)	Approval Date: 09/09/2014 Expiration Date: 03/09/2015
	PER	MIT TO DRILL	
WELL LOCATION: Sec: 10 Twp: 20N Rge: SPOT LOCATION: SE SW SW SW	26W County: ELLIS FEET FROM QUARTER: FROM SOUT SECTION LINES: 290	ГН FROM WEST 500	
Lease Name: NEIDENS 10	Well No: 2H	We	Il will be 290 feet from nearest unit or lease boundary.
Operator JONES ENERGY LLC Name:	Te	alephone: 5123282953	OTC/OCC Number: 21043 0
JONES ENERGY LLC 807 LAS CIMAS PKWY STE 350	79746 6102	SAMUEL CLA RT. 2 BOX 100	Y DEPRIEST REV. TRUST UTA)
AUSTIN, TX	78746-6193	SHATTUCK	OK 73858
1 CLEVELAND 2 3 4 5	8084	6 7 8 9 10	
Spacing Orders: 566183	Location Exception Orders	S:	Increased Density Orders:
Pending CD Numbers: 201406420			Special Orders:
Pending CD Numbers: 201406430 201406433			
-	2405 Surface Casin	ng: 620	Depth to base of Treatable Water-Bearing FM: 570
201406433		n g: 620 y Well Drilled: No	Depth to base of Treatable Water-Bearing FM: 570 Surface Water used to Drill: No
201406433 Total Depth: 12323 Ground Elevation:		-	Surface Water used to Drill: No
201406433 Total Depth: 12323 Ground Elevation: Under Federal Jurisdiction: No PIT 1 INFORMATION Type of Pit System: OFF SITE Type of Mud System: WATER BASED Chlorides Max: 8000 Average: 5000 Is depth to top of ground water greater than 10ft below	Fresh Water Suppl	y Well Drilled: No	Surface Water used to Drill: No
201406433 Total Depth: 12323 Ground Elevation: Under Federal Jurisdiction: No PIT 1 INFORMATION Type of Pit System: OFF SITE Type of Mud System: WATER BASED Chlorides Max: 8000 Average: 5000	Fresh Water Suppl	y Well Drilled: No Approved Method for dispos D. One time land application	Surface Water used to Drill: No al of Drilling Fluids:
201406433 Total Depth: 12323 Ground Elevation: Under Federal Jurisdiction: No PIT 1 INFORMATION Type of Pit System: OFF SITE Type of Mud System: WATER BASED Chlorides Max: 8000 Average: 5000 Is depth to top of ground water greater than 10ft below Within 1 mile of municipal water well? N	Fresh Water Suppl v base of pit? Y	y Well Drilled: No Approved Method for dispos D. One time land application	Surface Water used to Drill: No al of Drilling Fluids:
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201406433 Total Depth: 12323 Ground Elevation: Under Federal Jurisdiction: No PIT 1 INFORMATION Type of Pit System: OFF SITE Type of Mud System: WATER BASED Chlorides Max: 8000 Average: 5000 Is depth to top of ground water greater than 10ft below Within 1 mile of municipal water well? N Wellhead Protection Area? N Pit is located in a Hydrologically Sensitive Area Category of Pit: 1B Liner required for Category: 1B Pit Location is BED AQUIFER	Fresh Water Suppl v base of pit? Y	y Well Drilled: No Approved Method for dispos D. One time land application	Surface Water used to Drill: No

This permit does not address the right of entry or settlement of surface damages. The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1. Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

 PIT 2 INFORMATION

 Type of Pit System:
 CLOSED Closed System Means Steel Pits

 Type of Mud System:
 OIL BASED

 Chlorides Max: 300000
 Average: 200000

 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
 C

Pit Location is BED AQUIFER Pit Location Formation: OGALLALA

HORIZONTAL HOLE 1

Sec10Twp20NRge26WCourtSpot Location of End Point:SENWNVFeet From:NORTH1/4 Section Line:Feet From:WEST1/4 Section Line:Depth of Deviation:7442	-		
Radius of Turn: 650 Direction: 1			
Total Length: 3860			
Measured Total Depth: 12323			
True Vertical Depth: 8092			
End Point Location from Lease, Unit, or Property Line: 500			
	Additional Surface Owner	Address	City, State, Zip
	MARILYN LOUIS DEPRIEST REV. TR	ROUTE 2 BOX 100	SHATTUCK, OK 73858
Notes:			
Category	Description		
МЕМО		WILL BE ONSITE, BUT 300' FROM WELL ITS PER OPERATOR REQUEST, OBM RE DISTRICT	
PENDING CD - 201406430	9/8/2014 - G72 - 10-20N-26W X 566183 CLVD 1 WELL NO OPER NAMED; REC 9/5/2014 (NORRIS)		
PENDING CD 201406433	9/8/2014 - G72 - 10-20N-26W X 566183 CLVD; SHL NCT 290 FSL NCT 500 F POE NCT 330 FSL NCT 500 F BHL NCT 500 FNL NCT 500 F NO OPER NAMED; REC 9/5/2014 (NORRIS)	FWL; FWL;	
SPACING - 566183	9/8/2014 - G72 - (640) 10-20N VAC 265880 CLVD EXT 555427 CLVD	I-26W	

API 045-23516

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICANT: JONES ENERGY, LLC

CAUSE CD NO. 201406430

RELIEF SOUGHT: RULE #165:10-1-25 (REPLACEMENT WELL)

LANDS COVERED: SECTION 10, TOWNSHIP 20 NORTH, RANGE 26 WEST, ELLIS COUNTY, OKLAHOMA

AFFIDAVIT

STATE OF OKLAHSMA)) SS: COUNTY OF ELLIS

I, Sarah Beecherl, do hereby testify that the Applicant is the operator of the Neidens 10-1 well (API No: 35-452-1423) in the section mentioned above, said well last produced from the Cleveland common source of supply in April of 2013 due to compromised casing integrity and finally, upon completion of the Neidens 10-2H, Applicant intends to plug and abandon the Neidens 10-1 well.

SUBSCRIBED and sworn to before me this $\frac{9^{\text{th}}}{2}$ day of <u>September</u>, 2014.

My Commission Expires:

Contraction of the second	WHITNEY MAGGARD Notary Public, State of Texas My Commission Expires April 02, 2017
	(Seal)

