API NUMBER: 045 23528

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: 10/22/2014
Expiration Date: 04/22/2015

PERMIT TO DRILL

WELL LOCATION:	Sec:	18	Twp:	20N	Rge: 25W	County:	ELLIS
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SPOT LOCATION: SE SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST SECTION LINES: 280 2015

Lease Name: SAINTS 18 Well No: 5H Well will be 280 feet from nearest unit or lease boundary.

 Operator Name:
 JONES ENERGY LLC
 Telephone:
 5123282953
 OTC/OCC Number:
 21043
 0

JONES ENERGY LLC

807 LAS CIMAS PKWY STE 350

AUSTIN, TX 78746-6193

EARL SCHOENHALS

RT 2 BOX 88

SHATTUCK OK 73858

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

	Name	Depth	Name	Depth	1
1	CLEVELAND	8158	6		
2			7		
3			8		
4			9		
5			10		
Spacing Orders:	185772	Location Exception Orders: 63	2005	Increased Density Orders:	631966

Pending CD Numbers: Special Orders:

Total Depth: 12853 Ground Elevation: 2343 Surface Casing: 610 Depth to base of Treatable Water-Bearing FM: 560

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

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED Chlorides Max: 8000 Average: 5000

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: 1B

Liner required for Category: 1B
Pit Location is BED AQUIFER
Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT)

H. SEE MEMO

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.

PERMIT NO: 14-28532

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
Pit Location is BED AQUIFER
Pit Location Formation: OGALLALA

HORIZONTAL HOLE 1

Sec 18 Twp 20N Rge 25W County **ELLIS** NE Spot Location of End Point: NW ΝE NW Feet From: NORTH 1/4 Section Line: 165 Feet From: EAST 1/4 Section Line: 1745

Depth of Deviation: 7568
Radius of Turn: 650
Direction: 355
Total Length: 4264

Measured Total Depth: 12853
True Vertical Depth: 8589

End Point Location from Lease, Unit, or Property Line: 165

Notes:

Category Description

COMPLETION INTERVAL 10/22/2014 - G72 - WILL BE AT LEAST 600' FROM THE SAINTS 18 3H WELL PER THE

OPERATOR.

INCREASED DENSITY - 631966 10/7/2014 - G72 - 18-20N-25W

X 185772 CLVD 3 WELLS

JONES ENERGY, LLC,

10/17/2014

LOCATION EXCEPTION - 632005 10/22/2014 - G72 - 18-20N-25W (I.O.)

X 185772 CLVD

COMP INT. NCT 165 FNL NCT 165 FSL NCT 1745 FEL,

JONES ENERGY, LLC,

10/20/2014

MEMO 9/29/2014 - G76 - PIT 1 - SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT

LINER; PIT 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO

VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 185772 10/7/2014 - G72 - (640) 18-20N-25W EXT 65115 CLVD, OTHERS EST OTHERS

