PI NUMBER: 045 23571 rizontal Hole Oil & Gas	OIL & GAS	CORPORATION COMMISSIC CONSERVATION DIVISION P.O. BOX 52000 MA CITY, OK 73152-2000 (Rule 165:10-3-1)			
		PERMIT TO DRILL			
	-				
WELL LOCATION: Sec: 10 Twp: 20N	Rge: 26W County: ELLIS				
SPOT LOCATION: SE SW SW	SW FEET FROM QUARTER: FROM	SOUTH FROM WEST			
	SECTION LINES:	260 459			
Lease Name: KELLN 16		8H	Well will be 260 feet from nea	arest unit or lease boundary.	
Operator JONES ENERGY LLC					
Name:		Telephone: 5123282953	OTC/OCC Number	: 21043 0	
JONES ENERGY LLC	50	MARILYN	& SAMUEL DEPRIEST		
807 LAS CIMAS PKWY STE 3	50	RT. 2, BO	K 100		
AUSTIN,	TX 78746-6193	SHATTUC		73858	
		SHATTEE		75050	
1 CLEVELAND 2 3 4 5 Specing Orders: 122784	8056	6 7 8 9 10			
Spacing Orders: 122784	Location Exception C	orders:	Increased Density Orders:		
Pending CD Numbers: 201501158 201501157			Special Orders:		
Total Depth: 13448 Ground E	levation: 2412 Surface C	asing: 620	Depth to base of Treatable Wa	ater-Bearing FM: 570	
Under Federal Jurisdiction: No	Fresh Water S	Supply Well Drilled: No	Surface Wate	er used to Drill: No	
PIT 1 INFORMATION		Approved Method for d	isposal of Drilling Fluids:		
Type of Pit System: ON SITE		A. Evaporation/dewater and backfilling of reserve pit.			
Type of Mud System: WATER BASED					
Chlorides Max: 8000 Average: 5000		D. One time land application (REQUIRES PERMIT) PERMIT NO: 19 H. SEE MEMO			
Is depth to top of ground water greater than 1	Oft below base of pit? Y				
Within 1 mile of municipal water well? N					
Wellhead Protection Area? N					
Pit is located in a Hydrologically Sens	itive Area.				
Category of Pit: 1B					
Category of Pit: 1B					

 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

Sec 16 Twp 20N Rge 26W County ELLIS Spot Location of End Point: S2 SE SE SE Feet From: SOUTH 1/4 Section Line: 165 Feet From: EAST 1/4 Section Line: 330 Depth of Deviation: 7496 Radius of Turn: 650 Direction: 190 Total Length: 4931 Measured Total Depth: 13448 True Vertical Depth: 8171 End Point Location from Lease, Unit, or Property Line: 165

Notes:	
Category	Description
MEMO	3/10/2015 - G71 - PIT 1 - SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER; PIT 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
PENDING CD - 201501157	3/11/2015 - G75 - (E.O.) 16-20N-26W X122784 CLVD 1 WELL JONES ENERGY, LLC REC 3-30-2015 (DECKER)
PENDING CD - 201501158	3/11/2015 - G75 - (E.O.) 16-20N-26W X122784 CLVD SHL NCT 250 FNL, NCT 400 FEL ** POE NCT 165 FNL, NCT 330 FEL BHL NCT 165 FSL, NCT 330 FEL JONES ENERGY, LLC REC 3-30-2015 (DECKER)
	** ITD HAS SHL AS 260 FSL, 459 FWL 10-20N-26W; TO BE CORRECTED AT HEARING ON 3-30- 2015 PER OPERATOR
SPACING - 122784	3/11/2015 - G75 - (640) 16-20N-26W EST CLVD, OTHERS

API NUMBER: 000 00000 Horizontal Hole Oii & Gas	OKLAHOMA CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION P.O. BOX 52000 OKLAHOMA CITY, OK 73152-2000 (Rule 165:10-3-1)		API 045-23571 Approval Date: Expiration Date:
	PERMIT	TO DRILL	
WELL LOCATION: Sec: 10 Twp: 20N / Poe: 2 SPOT LOCATION: SE SW SW SW			for
Lease Name: KELLN 16	Well No: 8H	Well wil	w w w
Operator JONES ENERGY LLC Name:	ntent	nt 5123282953 Dr	OTC/OCC Number: 21043 0
JONES ENERGY LLC			αδροποί το το ποστάτου της το
807 LAS CIMAS PKWY STE 350	1	MARILYN & SAMI	I#/DEPRIEST
AUSTIN, TX	78746-6193	RT 2, BOX 100	
- - - 		SHATTUCK	OK 73858
Formation(s) (Permit Valid for Listed For Name 1 CLEVELAND 2 3 4 5 Spacing Orders:	rmations Only): Depth 8056 Location Exception Orders:	Name 6 7 8 9 10	Depth Increased Density Orders:
Pending CD Numbers: 201501158 2 201501159 5	E.O. Hearing 3-30	-2015	Special Orders:
Total Depth: 13448 Ground Elevation: 2	2412 Surface Casing: 6	5 20 D	epth to base of Treatable Water-Bearing FM: 570
Under Federal Jurisdiction: No	Fresh Water Supply Well	Drilled: No	Surface Water used to Drill: No
Pit 1: Water-based, on-site 8K-5K ppm Chlonide Cat. 18, soil compa Pit 2: Oil-based, closed 300K-200K ppm cl	is ction	D. one-time lar H. <u>Pit1-soil com</u> Prior to test closed system request, OBM per District TEMP	bewater / backfill application 15-29913 packed pit, notify Distinct ing soil pit liner; Pita- n = steel pits per operator to vendor, OBM cuttings DRARY AUTHORIZATION TO DRILL Date: 331-2015

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.

HORIZONTAL HOLE 1 Sec 16 Twp 20N Rge **20N** County ELLIS CALIDON OF OF Spot Location of End Point: **52** SE SE Feet From: SOUTH 1/4 Section Line: 165 Feet From: EAST 1/4 Section Line: 30 Depth of Deviation: 7496 Radius of Turn: 650

Direction: **IQO** Total Length: 4931 Measured Total Depth: 13448 True Vertical Depth: 8171

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



