API NUMBER: 017 24900

Horizontal Hole Oil & Gas

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

Approval Date: 04/21/2016
Expiration Date: 10/21/2016

PERMIT TO DRILL

WELL LOCATION: Sec: 24 Twp: 14N Rge: 8W County: CANADIAN

SPOT LOCATION: SW SW SW SW FEET FROM QUARTER: FROM **SOUTH** FROM **WEST**
SECTION LINES: **284** **278**

Lease Name: APRES VOUS 24_13-14N-8W **Well No: 1HX** **Well will be 278 feet from nearest unit or lease boundary.**

Operator Name: **DEVON ENERGY PRODUCTION CO LP** Telephone: 4052353611; 4052353 OTC/OCC Number: 20751 0

DEVON ENERGY PRODUCTION CO LP
333 W SHERIDAN AVE
OKLAHOMA CITY, OK 73102-5010

AER, LLC, C/O ANN E. REICH, MANAGER
225 HIDDEN CREEK DRIVE
COLORADO SPRINGS CO 80906

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

	Name	Depth		Name	Depth
1	MISS'AN (EX CHESTER)	9270	6		
2	HUNTON	9959	7		
3			8		
4			9		
5			10		

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201405238
201405240
201405236

Special Orders:

Total Depth: 19545 Ground Elevation: 1239 **Surface Casing: 1999** Depth to base of Treatable Water-Bearing FM: 260

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

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 not** located in a Hydrologically Sensitive Area.
Category of Pit: C
Liner not required for Category: C
Pit Location is NON HSA
Pit Location Formation: CHICKASHA

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31136
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.

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 not** located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: CHICKASHA

HORIZONTAL HOLE 1

Sec 13 Twp 14N Rge 8W County CANADIAN

Spot Location of End Point: NE NW NW NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 350

Depth of Deviation: 9027

Radius of Turn: 478

Direction: 1

Total Length: 9767

Measured Total Depth: 19545

True Vertical Depth: 9960

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category	Description
DEEP SURFACE CASING	3/14/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	3/14/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE.
INTERMEDIATE CASING	3/14/2016 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES
MEMO	3/14/2016 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM RETURNED TO VENDOR, OBM CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 201405236	3/15/2016 - G60 - (640)(HOR) 13 & 24-14N-8W EST MSNLC, HNTN, OTHER POE TO BHL NCT 660' FB (COEXIST WITH SP. ORDER 144038 MISS, HNTN 13-14N-8W; SP. ORDER 141089 MISS, HNTN 24 -14N-8W) REC. 4-13-16 (P. PORTER)

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.

Category	Description
PENDING CD - 201405238	3/15/2016 - G60 - (I.O) 13 & 24-14N-8W EST MULTIUNIT HORIZONTAL WELL X201405236 MSNLC, HNTN, OTHER (HNTN ASSOCIATED COMMON SOURCE OF SUPPLY TO MSNLC) 50% 13-14N-8W 50% 24-14N-8W FELIX ENERGY, LLC. (BOUGHT IN ITS ENTIRETY BY DEVON ENERGY PRODUCTION CO. L.P.) REC. 4-13-16 (P. PORTER)
PENDING CD - 201405240	3/15/2016 - G60 - (I.O.) 13 & 24-14N-8W X201405236 MSNLC, HNTN, OTHER X165 10-3-28 (C)(2)(B) MCSTR, HNTN MAY BE CLOSER THAN 600' TO EXISITING WELLBORE COMPL. INT. (24-14N-8W) NCT 165' FSL, NCT 0' FNL NCT 330' FWL COMPL. INT. (13-14N-8W) NCT 0' FSL, NCT 165' FNL, NCT 330' FWL FELIX ENERGY, LLC (BOUGHT IN ITS ENTIRETY BY DEVON ENERGY PRODUCTION CO. L.P.) REC. 4-13-16 (P. PORTER)

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.

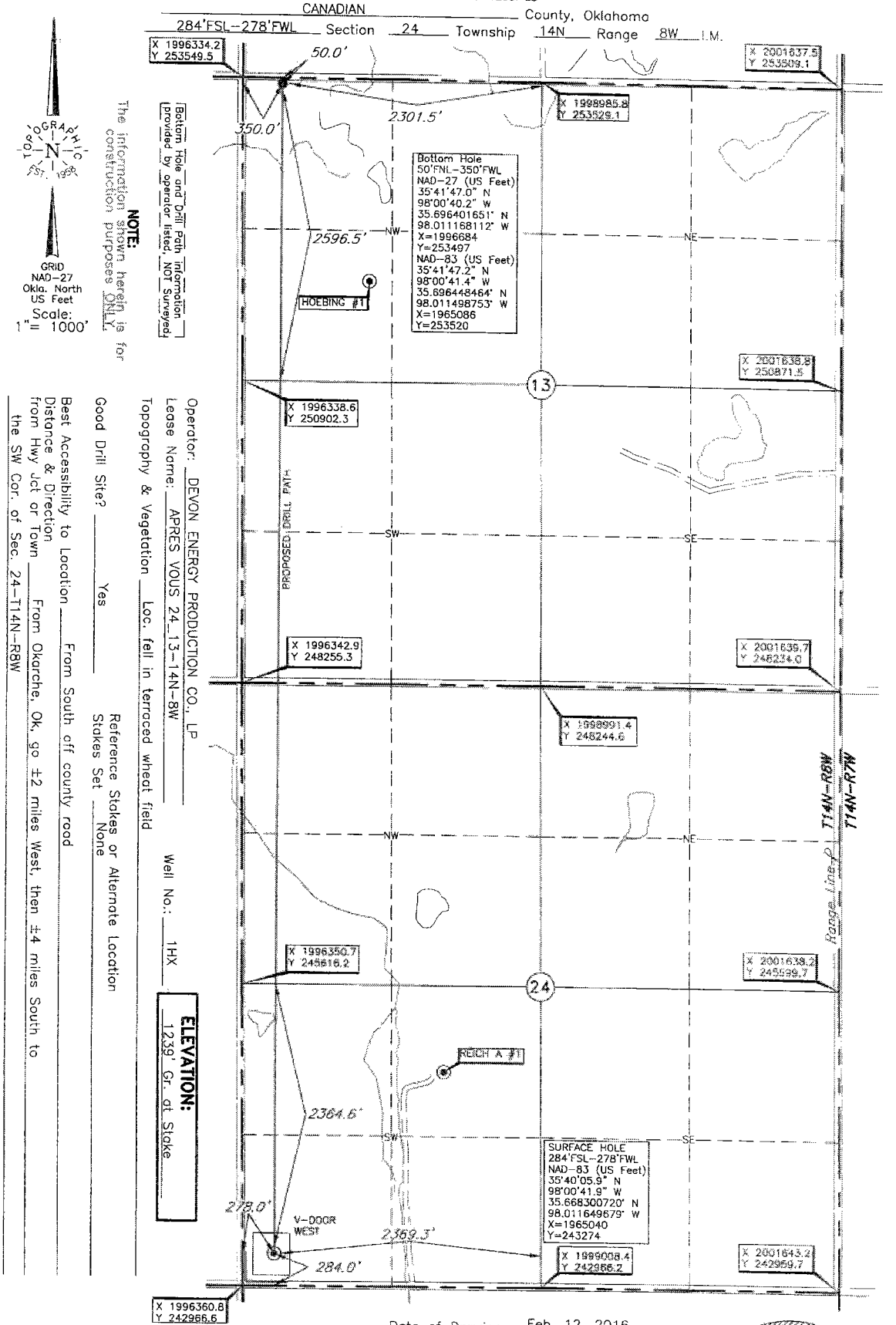
017-24900

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
Certificate of Authorization No. 1293. LS

CANADIAN County, Oklahoma

284'FSL-278'FWL Section 24 Township 14N Range 8W I.M.



NOTE: The information shown herein is for construction purposes ONLY.

Bottom Hole and Drill Path information provided by operator listed, NOT Surveyed.

Operator: DEVON ENERGY PRODUCTION CO., LP

Lease Name: APRES VOUS 24_13-14N-8W

Well No.: 1HX

ELEVATION: 1239' Gr. at Stake

Topography & Vegetation Loc. fell in terraced wheat field

Good Drill Site? Yes

Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From South off county road

Distance & Direction from Hwy Jct or Town From Okarche, Ok, go ±2 miles West, then ±4 miles South to the SW Cor. of Sec. 24-T14N-R8W

This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy.

DATUM: NAD-27
LAT: 35°40'05.7"N
LONG: 98°00'40.7"W
LAT: 35.668253125° N
LONG: 98.011319372° W
STATE PLANE COORDINATES: (US Feet)
ZONE: OK NORTH
X: 1996638
Y: 243251

Invoice # 256758

Date of Drawing: Feb. 12, 2016
Date Staked: Feb. 4, 2016

LC

CERTIFICATE:

I, T. Wayne Fisch an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.

T. Wayne Fisch

Oklahoma Lic. No. Number

LICENSED PROFESSIONAL LAND SURVEYOR
T. WAYNE FISCH
1378
2-12-2016
OKLAHOMA