

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

API NUMBER: 073 25296

Approval Date: 05/10/2016
Expiration Date: 11/10/2016

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 16N Rge: 5W County: KINGFISHER
SPOT LOCATION: NW NW NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 249 1463

Lease Name: RUDD 1605 Well No: 2A-5MH Well will be 249 feet from nearest unit or lease boundary.
Operator Name: OKLAHOMA ENERGY ACQUISITIONS LP Telephone: 2815300991 OTC/OCC Number: 23509 0

OKLAHOMA ENERGY ACQUISITIONS LP
15021 KATY FWY STE 400
HOUSTON, TX 77094-1900

LANKARD FAMILY, LLC
3743 SOUTH 4403
PRYOR OK 74361

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

Name	Depth	Name	Depth
1 MISS'AN (EX CHESTER)	6685	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201505874
201505876

Special Orders:

Total Depth: 11660 Ground Elevation: 1002 **Surface Casing: 500** Depth to base of Treatable Water-Bearing FM: 190

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: 4000 Average: 1800

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: KINGMAN

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31240

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 05 Twp 16N Rge 5W County KINGFISHER

Spot Location of End Point: SE SE SW SW

Feet From: SOUTH 1/4 Section Line: 200

Feet From: WEST 1/4 Section Line: 1024

Depth of Deviation: 6651

Radius of Turn: 573

Direction: 183

Total Length: 4109

Measured Total Depth: 11660

True Vertical Depth: 7150

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

Notes:

Category	Description
DEEP SURFACE CASING	5/6/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	5/6/2016 - 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.
PENDING CD - 201505874	5/6/2016 - G75 - (640)(HOR) 5-16N-5W EST MSNLC POE TO BHL NLT 660' FB (COEXIST SP. ORDER # 184294/263107 MSSLM) REC 4-26-2016 (NORRIS)
PENDING CD - 201505876	5/6/2016 - G75 - (I.O.) 5-16N-5W XOTHER X201505874 MSNLC SHL NCT 165 FSL, NCT 200 FEL OR FWL ** COMPL. INT. NCT 200 FSL, NCT 200 FNL, NCT 330 FEL OR FWL ++ NO OP. NAMED REC 4-26-2016 (NORRIS)
	** ITD HAS SHL AS 249 FNL, 1463 FWL; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER ATTORNEY FOR OPERATOR
	++ ITD HAS LATERAL DRILLED IN OPPOSITE DIRECTION; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER ATTORNEY FOR OPERATOR