

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

API NUMBER: 045 23607

Approval Date: 05/18/2016
Expiration Date: 11/18/2016

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 20N Rge: 24W County: ELLIS
SPOT LOCATION: SE SE SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 280 1600

Lease Name: BAYLESS 26 Well No: 2H 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

MELISA JO MCMURPHY, TRUSTEE
P.O. BOX 44
ARNETT OK 73832

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

Name	Depth	Name	Depth
1 CLEVELAND	8550	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 101239

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201601415
201601414

Special Orders:

Total Depth: 13095

Ground Elevation: 2462

Surface Casing: 740

Depth to base of Treatable Water-Bearing FM: 690

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)

PERMIT NO: 16-31248

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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 26 Twp 20N Rge 24W County ELLIS

Spot Location of End Point: NE NE NW NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 1500

Depth of Deviation: 7888

Radius of Turn: 650

Direction: 1

Total Length: 4186

Measured Total Depth: 13095

True Vertical Depth: 8550

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

Notes:

Category	Description
HYDRAULIC FRACTURING	5/17/2016 - 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 - 201601414	5/18/2016 - G75 - 26-20N-24W X101239 CLVD 1 WELL NO OP. NAMED REC 5-17-2016 (NORRIS)
PENDING CD - 201601415	5/18/2016 - G75 - (I.O.) 26-20N-24W X101239 CLVD COMPL. INT. NCT 165 FSL, NCT 165 FNL, NCT 1500 FEL NO OP. NAMED REC 5-17-2016 (NORRIS)
SPACING - 101239	5/18/2016 - G75 - (640) 26-20N-24W EXT 64184/65115 CLVD, OTHERS

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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.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

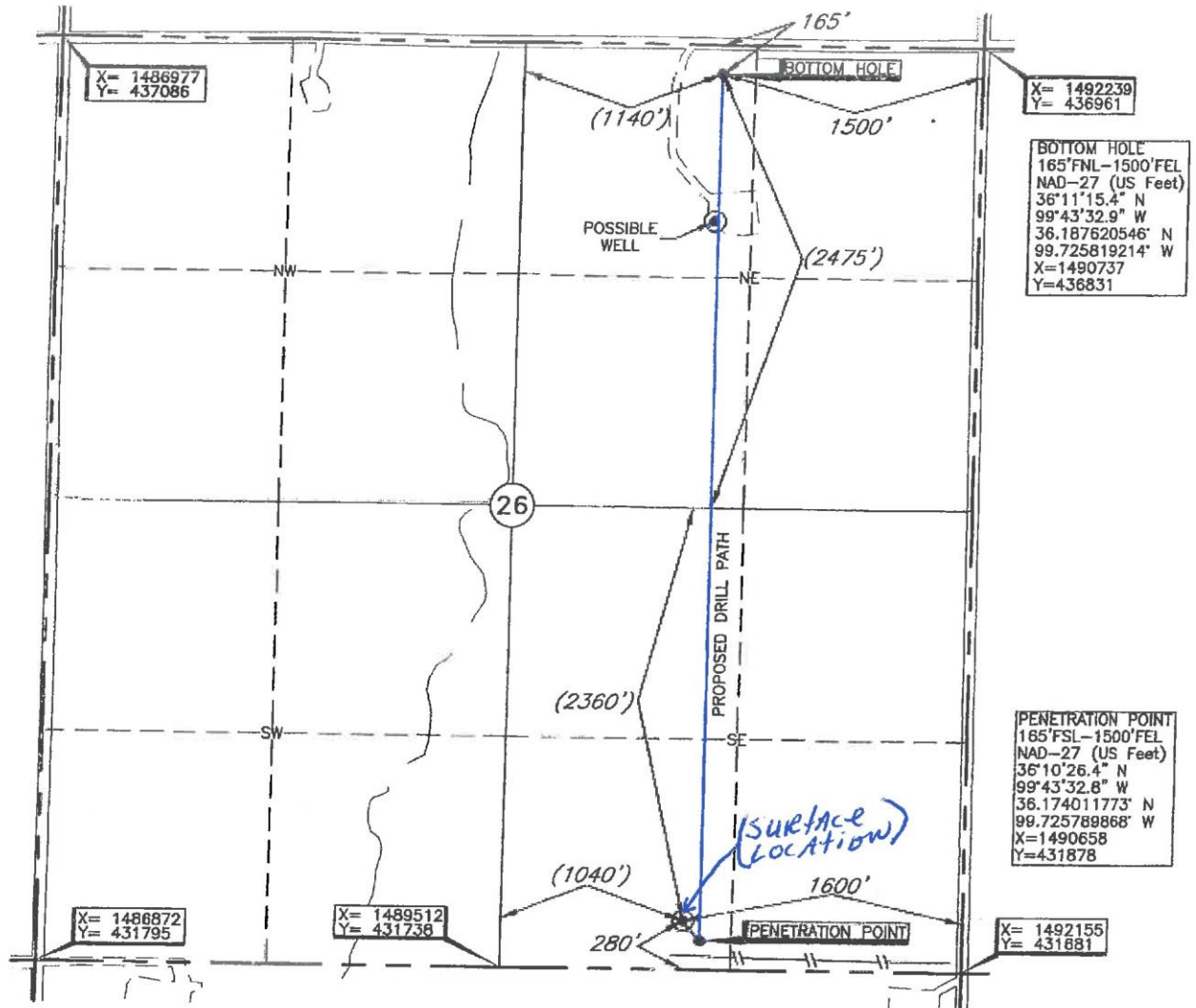
6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
 Certificate of Authorization No. 1293 LS

ELLIS

County, Oklahoma

280'FSL - 1600'FEL Section 26 Township 20N Range 24W I.M.

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



BOTTOM HOLE, PENETRATION POINT AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

Distances shown in (parenthesis) are calculated based upon the Quarter Section being 2640 feet, those shown in [brackets] are based on GLO (General Land Office) distances and have NOT been measured on the ground.

Operator: JONES ENERGY, LTD.

Lease Name: BAYLESS

Well No.: 26-2H

ELEVATION:

2462' Gr. at Stake

Topography & Vegetation Loc. fell in terraced grass pasture, ±196' North of E-W pipeline

Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From East off county road

Distance & Direction from Hwy Jct or Town From Jct. US Hwy. 60 E-W and US Hwy. 283 South, East of Arnett, OK, go ±2.0 mi. East on US Hwy. 60, then ±2.5 mi. North to the SE Cor. of Sec. 26-T20N-R24W

This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy.
 DATUM: NAD-27
 LAT: 36°10'27.6"N
 LONG: 99°43'34.1"W
 LAT: 36.174328490° N
 LONG: 99.726129337° W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1490559
 Y: 431995

Date of Drawing: Apr. 04, 2016
 Invoice # 258792 Date Staked: Mar. 31, 2016 AC

CERTIFICATE:

I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

Thomas L. Howell
 Oklahoma Lic. No. 1433

