

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

API NUMBER: 017 24920

Approval Date: 07/12/2016
Expiration Date: 01/12/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 14N Rge: 7W

County: CANADIAN

SPOT LOCATION: SW SW SW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 233 263

Lease Name: QUERENCIA 27-14-7

Well No: 1WH

Well will be 233 feet from nearest unit or lease boundary.

Operator Name: CASILLAS OPERATING LLC

Telephone: 9185825310

OTC/OCC Number: 23838 0

CASILLAS OPERATING LLC
PO BOX 3668
TULSA, OK 74101-3668

FREDDIE & ALBERTA PETERS
925 192ND ST NE
OKARCHE OK 73762

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

	Name	Depth	Name	Depth
1	WOODFORD	9196	6	
2	HUNTON	9296	7	
3			8	
4			9	
5			10	

Spacing Orders: 82944
134032

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201602580
201602582

Special Orders:

Total Depth: 14286

Ground Elevation: 1208

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 310

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

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 located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: DUNCAN

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 16-31394

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: ON SITE
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: 3
Liner required for Category: 3
Pit Location is BED AQUIFER
Pit Location Formation: DUNCAN

HORIZONTAL HOLE 1

Sec 27 Twp 14N Rge 7W 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: 410
Depth of Deviation: 8830
Radius of Turn: 640
Direction: 2
Total Length: 4451
Measured Total Depth: 14286
True Vertical Depth: 9296
End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Table with 2 columns: Category, Description. Rows include DEEP SURFACE CASING, HYDRAULIC FRACTURING, MEMO, PENDING CD - 201602580, PENDING CD - 201602582, and SPACING - 82944.

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.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219

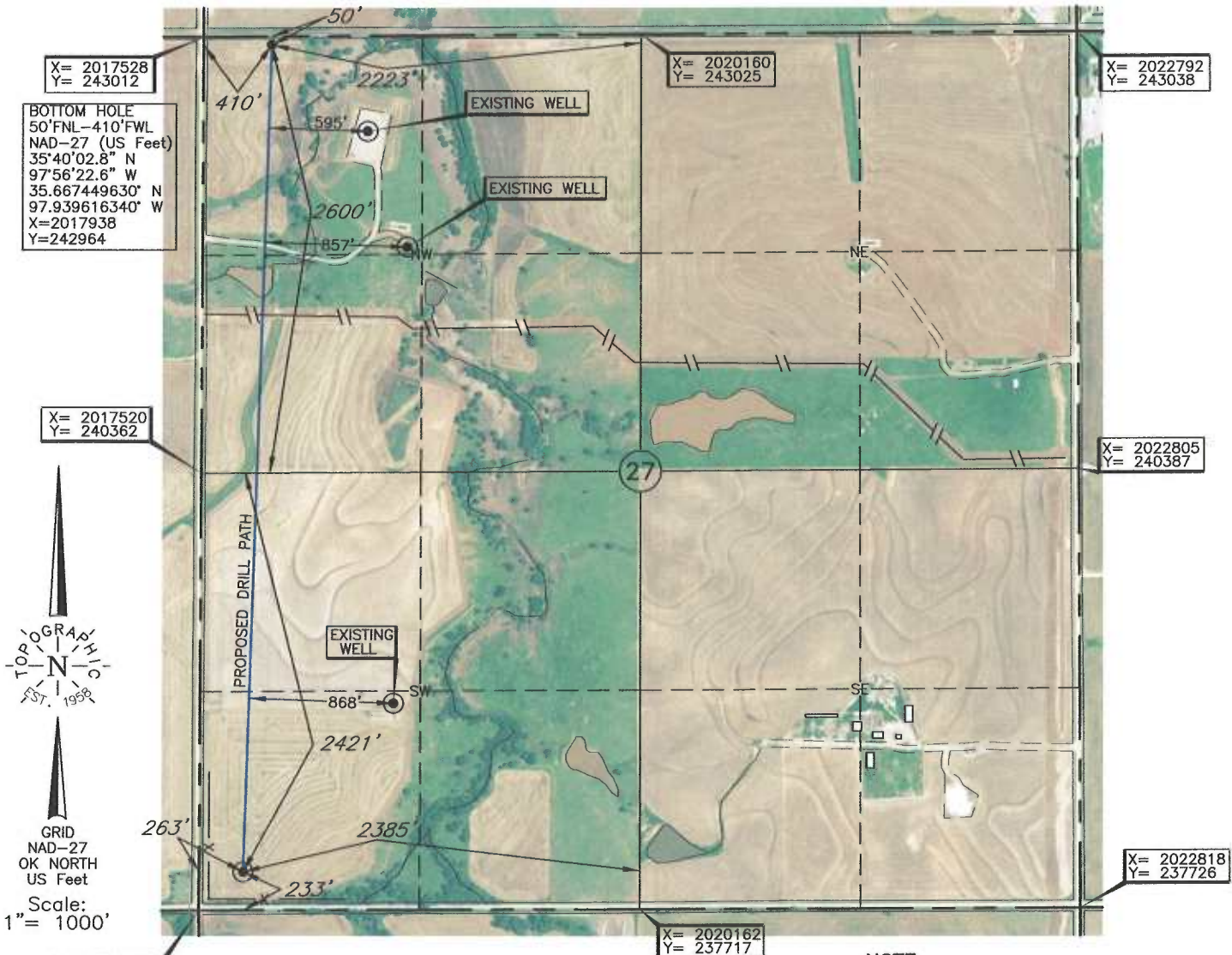
Certificate of Authorization No. 1293 LS

CANADIAN

County, Oklahoma

API: 017-24920

233'FSL - 263'FWL Section 27 Township 14N Range 7W I.M.



X= 2017528
Y= 243012

BOTTOM HOLE
50'FNL-410'FWL
NAD-27 (US Feet)
35°40'02.8" N
97°56'22.6" W
35.667449630° N
97.939616340° W
X=2017938
Y=242964

X= 2020160
Y= 243025

X= 2022792
Y= 243038

X= 2017520
Y= 240362

X= 2022805
Y= 240387



GRID
NAD-27
OK NORTH
US Feet
Scale:
1" = 1000'

X= 2017513
Y= 237708

X= 2020162
Y= 237717

X= 2022818
Y= 237726

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

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

Operator: CASILLAS PETROLEUM CORPORATION

Lease Name: QUERENCIA 27-14-7

Well No.: 1WH

ELEVATION:
1208' Gr. at Stake

Topography & Vegetation Loc. fell in sloping wheat field, ±200' North and ±230' East of right-of-way fence

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 ±2.0 mi. East, then ±5.0 mi. South to the SW Cor. of Sec. 27-T14N-R7W

DATUM: NAD-27
LAT: 35°39'13.2"N
LONG: 97°56'24.6"W
LAT: 35.653654613° N
LONG: 97.940168402° W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK NORTH
X: 2017777
Y: 237942

Date of Drawing: Jun. 20, 2016
Invoice # 261977 Date Staked: Jun. 17, 2016 AC

CERTIFICATE:

I, Lee K. Goss an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

[Signature]
Oklahoma Lic. No. 1778



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