

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

API NUMBER: 081 24272

Approval Date: 07/22/2016
Expiration Date: 01/22/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 24 Twp: 16N Rge: 3E

County: LINCOLN

SPOT LOCATION: NW NE NW NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 231 1772

Lease Name: THOMAS 24-16N-3E

Well No: 2MH

Well will be 231 feet from nearest unit or lease boundary.

Operator Name: WHITE STAR PETROLEUM LLC

Telephone: 8444024903

OTC/OCC Number: 23358 0

WHITE STAR PETROLEUM LLC
PO BOX 13360
OKLAHOMA CITY, OK 73113-1360

THOMAS W. & RHODA G. CLINE
820506 S 3480 RD
STROUD OK 74079

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

| Name | Depth | Name | Depth |
|------|---------------|------|-------|
| 1 | MISSISSIPPIAN | 4404 | 6 |
| 2 | | | 7 |
| 3 | | | 8 |
| 4 | | | 9 |
| 5 | | | 10 |

Spacing Orders: 653521

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201601684
201601680

Special Orders:

Total Depth: 10000

Ground Elevation: 980

Surface Casing: 750

Depth to base of Treatable Water-Bearing FM: 410

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: OSCAR

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 16-31227

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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 24 Twp 16N Rge 3E County LINCOLN

Spot Location of End Point: SW SE SE SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 625

Depth of Deviation: 3704

Radius of Turn: 700

Direction: 176

Total Length: 5196

Measured Total Depth: 10000

True Vertical Depth: 4469

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

Notes:

| Category | Description |
|------------------------|---|
| HYDRAULIC FRACTURING | 7/21/2016 - 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 MI. |
| PENDING CD - 201601680 | 7/22/2016 - G60 - 24-16N-3E X653521 MSSP 3 WELLS NO OP. NAMED REC. 5-23-16 (M. PORTER) |
| PENDING CD - 201601684 | 7/22/2016 - G60 - (I.O.) 24-16N-3E X653521 MSSP, OTHERS COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FEL NO OP. NAMED REC. 5-23-16 (M. PORTER) |
| SPACING - 653521 | 7/22/2016 - G60 - 640)(HOR) 24-16N-3E VAC 142862 OTHER VAC 221882 MSSLM, OTHER S2 EXT 648997 MSSP, OTHERS POE TO BHL NLT 660' FB |
| SURFACE CASING | 7/21/2016 - G71 - MIN. 500' PER ORDERS 70129/70186/77556 |

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

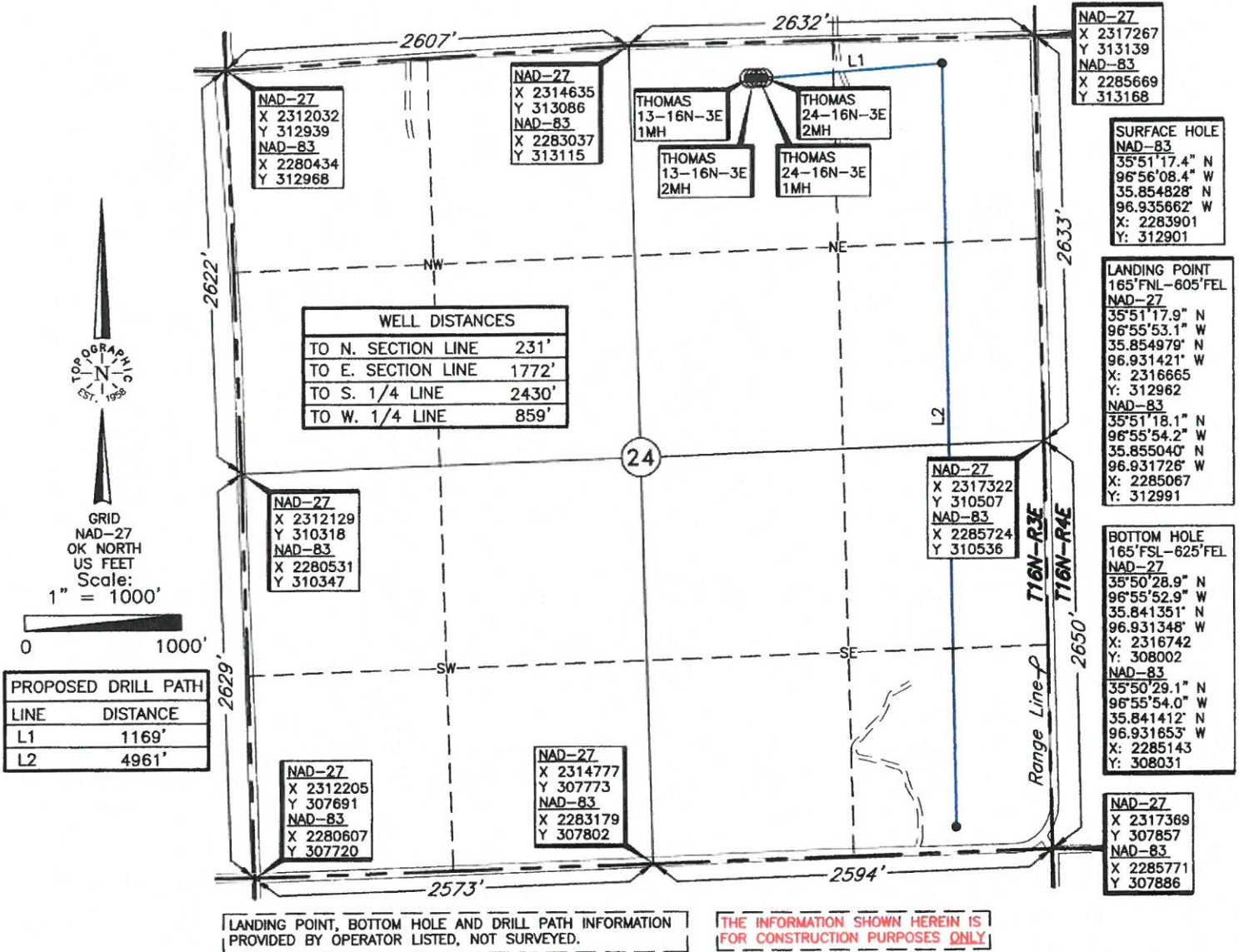
6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
 Certificate of Authorization No. 1293 LS

API: 081-24272

LINCOLN

County, Oklahoma

231'FNL-1772'FEL Section 24 Township 16N Range 3E I.M.



Operator: WHITE STAR PETROLEUM, LLC.
 Lease Name: THOMAS 24-16N-3E

Well No.: 2MH **ELEVATION:** 980' Gr. at Stake

Topography & Vegetation Loc. fell in pasture with cedar trees
 Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From North off county road
 Distance & Direction from Hwy Jct or Town From the junction of St. Hwy 105 & St. Hwy 18, go ± 4 miles West on St. Hwy 105, then ± 1 mile South, then ± 0.5 mile East to the North Quarter Corner of Section 24, T16N-R3E.

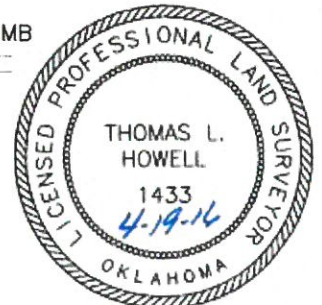
DATE: April 11, 2016
 Invoice # 259043C Date Staked: April 6, 2016 NMB
 DATUM: NAD-27
 LAT: 35°51'17.2" N
 LONG: 96°56'07.3" W
 LAT: 35.854767" N
 LONG: 96.935357" W
 STATE PLANE COORDINATES (US FEET):
 ZONE: OK NORTH
 X: 2315500
 Y: 312872

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 Reg. No. 1433



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