

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

API NUMBER: 043 23471

Approval Date: 07/26/2016  
Expiration Date: 01/26/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 07 Twp: 17N Rge: 15W County: DEWEY  
SPOT LOCATION:  NE  SW  SE  SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 415 1925

Lease Name: **BIG HUNK** Well No: **7-1H** Well will be **415** feet from nearest unit or lease boundary.  
Operator Name: **CARRERA ENERGY LLC** Telephone: 4326956970 OTC/OCC Number: 23514 0

CARRERA ENERGY LLC  
PO BOX 5036  
MIDLAND, TX 79704-5036

MITCHELL HALLREN  
P.O. BOX 428  
FAIRVIEW OK 73737

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

	Name	Depth	Name	Depth
1	MERAMEC	11100	6	
2	OSAGE	11300	7	
3			8	
4			9	
5			10	

Spacing Orders: 113812

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201602436  
201602437

Special Orders:

Total Depth: 15651

Ground Elevation: 1617

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 230

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: MARLOW

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31391  
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 07 Twp 17N Rge 15W County DEWEY

Spot Location of End Point: NE NW NE NW

Feet From: NORTH 1/4 Section Line: 200

Feet From: WEST 1/4 Section Line: 1900

Depth of Deviation: 10637

Radius of Turn: 573

Direction: 359

Total Length: 4114

Measured Total Depth: 15651

True Vertical Depth: 11300

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

Notes:

Category	Description
DEEP SURFACE CASING	7/6/2016 - 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	7/6/2016 - 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 <a href="http://fracfocus.org/">HTTP://FRACFOCUS.ORG/</a> 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	7/6/2016 - 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
PENDING CD - 201602436	7/6/2016 - G75 - (640) 7-17N-15W EST OSGE REC 7-26-2016 (P. PORTER)
PENDING CD - 201602437	7/6/2016 - G75 - (I.O.) 7-17N-15W X113812 MPMC X201602436 OSGE COMPL. INT. NCT 165 FSL, NCT 165 FNL, NCT 1320 FWL NO OP. NAMED REC 7-26-2016 (P. PORTER)
SPACING - 113812	7/6/2016 - G75 - (640) 7-17N-15W EXT OTHERS EST MPMC, OTHER

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**TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA**

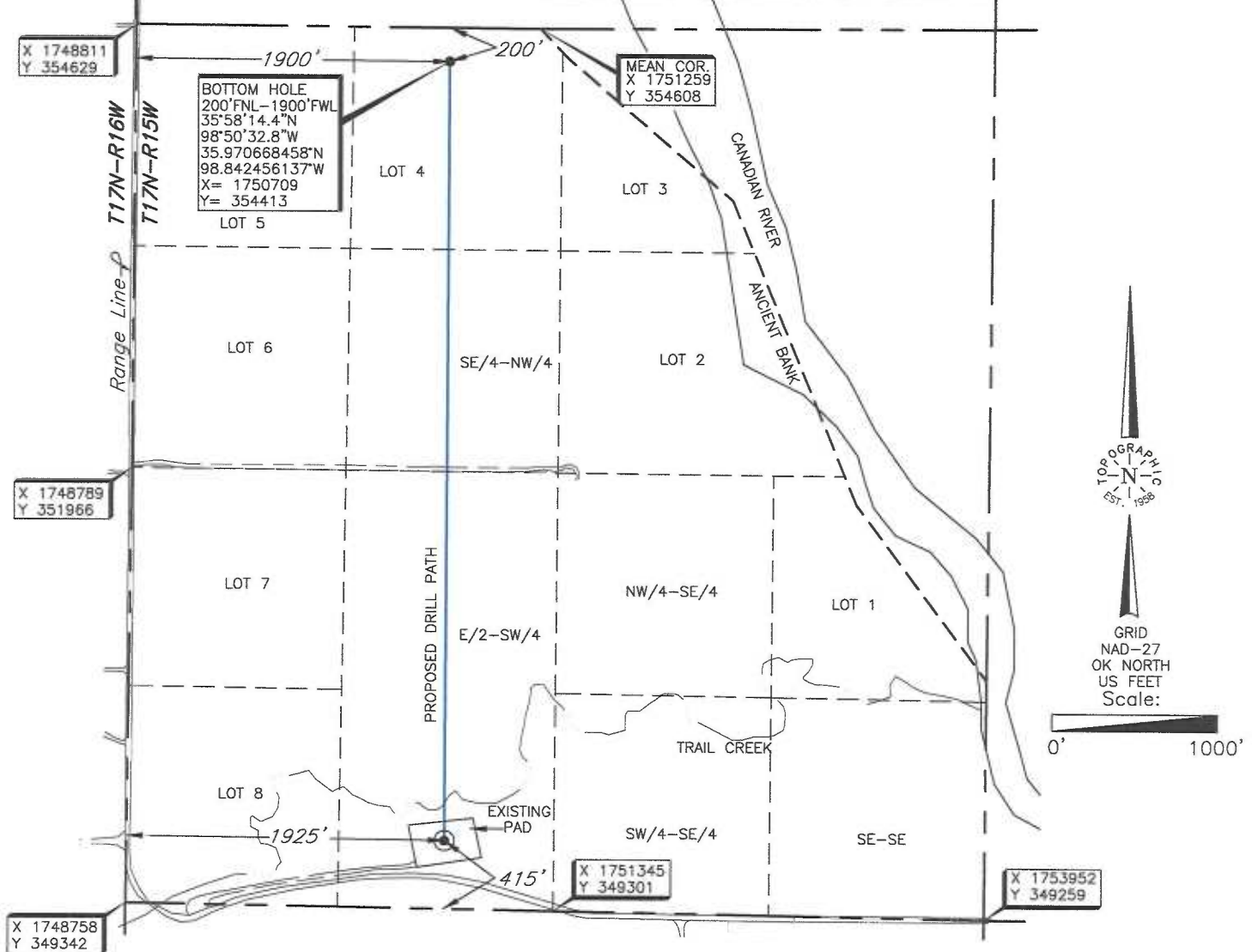
6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 \* LOCAL (405) 843-4847 \* OUT OF STATE (800) 654-3219  
 Certificate of Authorization No. 1293 L.S.

DEWEY

County, Oklahoma

API 043-23471

415'FSL-1925'FWL Section 7 Township 17N Range 15W 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: CARRERA ENERGY, LLC

Lease Name: BIG HUNK

Well No.: 7-1H

**ELEVATION:**

1617' Gr. at Stake

Topography & Vegetation STAKE FELL ON EXISITNG LOCATION

Good Drill Site? YES Reference Stakes or Alternate Location Stakes Set NONE

Best Accessibility to Location FROM SOUTHWEST OFF COUNTY ROAD

Distance & Direction from Hwy Jct or Town FROM TALOGO, OK, GO ±2.5 MILES EAST, THEN ±3.25 MILES SOUTH,

THEN ±3.75 MILES EAST, THEN ±2 MILES SOUTH TO THE SOUTHWESST CORNER OF SECTION 7-T17N-R15W.

DATUM: NAD-27  
 LAT: 35°57'28.1"N  
 LONG: 98°50'32.6"W  
 LAT: 35.957793608°N  
 LONG: 98.842392019°W  
 STATE PLANE COORDINATES (US FEET):  
 ZONE: OK NORTH  
 X: 1750687  
 Y: 349726

Date of Drawing: Jun. 08, 2016  
 Invoice # 261505 Date Staked: Jun. 7, 2106 JGW

**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