

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

API NUMBER: 093 25039

Approval Date: 10/03/2016  
Expiration Date: 04/03/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 21N Rge: 13W County: MAJOR  
SPOT LOCATION:  N2  NW  NW  NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 200 2310

Lease Name: MARTENS Well No: 5-35 Well will be 330 feet from nearest unit or lease boundary.

Operator Name: RED BLUFF RESOURCES OPERATING LLC Telephone: 4056058300 OTC/OCC Number: 23828 0

RED BLUFF RESOURCES OPERATING LLC  
3030 NW EXPRESSWAY STE 650  
OKLAHOMA CITY, OK 73112-5447

DARREN COTTOM  
212644 E CR 54  
MUTUAL OK 73853

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

	Name	Depth	Name	Depth
1	BIG LIME	6483	6	
2	VERDIGRIS	6698	7	
3	CHESTER LIME	6943	8	
4	MERAMEC	7431	9	
5	OSAGE	7872	10	

Spacing Orders: 98734

Location Exception Orders: 656459

Increased Density Orders:

Pending CD Numbers: 201603592

Special Orders:

Total Depth: 13059

Ground Elevation: 1333

**Surface Casing: 1000**

Depth to base of Treatable Water-Bearing FM: 530

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: 16000 Average: 8000

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31596  
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

This permit does not transfer 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 35 Twp 22N Rge 13W County MAJOR

Spot Location of End Point: N2 NW NW NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 2310

Depth of Deviation: 7337

Radius of Turn: 491

Direction: 360

Total Length: 4950

Measured Total Depth: 13059

True Vertical Depth: 7910

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

Notes:

Category	Description
DEEP SURFACE CASING	9/30/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	9/29/2016 - 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.
LOCATION EXCEPTION - 656459	9/30/2016 - G64 - (I.O.) 35-22N-13W X98734 CRLM, MPMC, OSGE, OTHER COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FEL RED BLUFF RESOURCES OPERATING LLC 9-28-2016
PENDING CD - 201603592	9/30/2016 - G64 - (I.O.) 35-22N-13W X98734 CRLM, MPMC, OSGE 1 WELL NO OP. NAMED REC. 9-12-2016 (P. PORTER)
SPACING	9/30/2016 - G64 - BIG LIME & VERDIGRIS UNSPACED; 640-ACRE LEASE PER OPERATOR
SPACING - 98734	9/30/2016 - G64 - (640) 35-22N-13W EXT 60260 CRLM, MPMC, OSGE, OTHERS

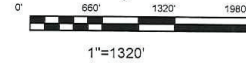
This permit does not address the right of entry or settlement of surface damages.  
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.  
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.



# Well Location Plat

S.H.L. Sec. 2-21N-13W I.M.  
B.H.L. Sec. 35-22N-13W I.M.

Operator: RED BLUFF RESOURCES  
Lease Name and No. : MARTENS 5-35MH  
Footage : 200' FNL - 2310' FEL GR. ELEVATION : 1333' Good Site? YES  
Section: 2 Township: 21N Range: 13W I.M.  
County : Major State of Oklahoma  
Alternate Loc.: N/A  
Terrain at Loc. : Location fell in pasture, south of E-W fence. **API: 093 25039**



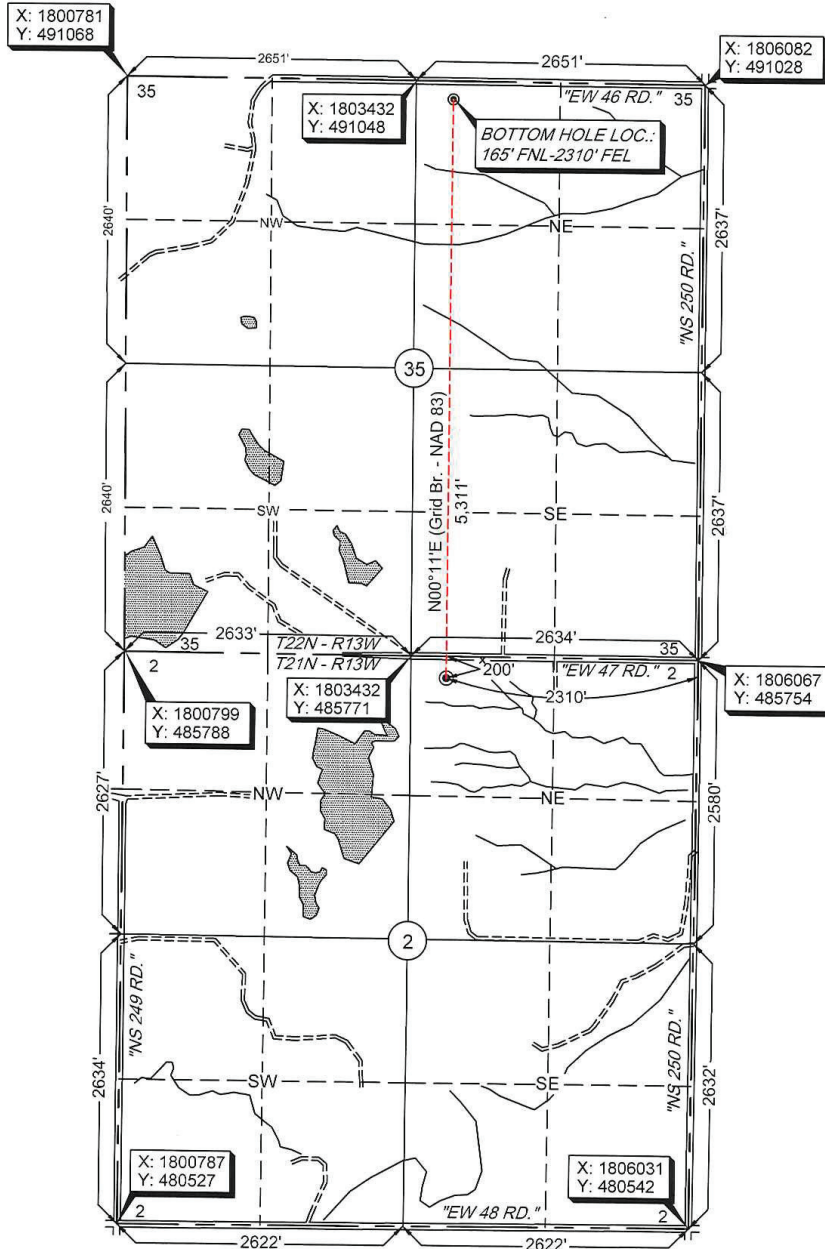
Accessibility : From the Southeast.  
Directions : From the intersection of Highway 58/8/60 and Highway 60 in the town of Fairview, OK, go 11.0 miles North on HWY 58/8/60, go 5.0 miles North on "NS 243 Rd.", then go 4.5 miles West on "EW 47 Rd." to the site to the South in the Northeast Corner of Section 2-21N-13W.

GPS DATUM  
NAD - 83  
OK NORTH ZONE

Surface Hole Loc.:  
Lat: 36°19'57.38"  
Lon: 98°33'33.53"W  
X: 1803755  
Y: 485569

Bottom Hole Loc.:  
Lat: 36°20'49.90"N  
Lon: 98°33'33.70"W  
X: 1803772  
Y: 490880

Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.



NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey.

Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.

survey and plat by  
**Arkoma Surveying and Mapping, PLLC**  
P.O. Box 238 Wilburton, OK 74578  
Ph. 918-465-5711 Fax 918-465-5030  
Certificate of Authorization No. 5348  
Expires August 31, 2018

Invoice #6554  
Date Staked : 08/08/16 By: J.W.  
Date Drawn : 08/11/16 By: S.S.  
Rev. BHL : 09/21/16 By: R.S.

### Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

LANCE G. MATHIS 09/21/16  
OK LPLS 1664

