

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

API NUMBER: 073 25393

Approval Date: 10/07/2016
Expiration Date: 04/07/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 18N Rge: 5W County: KINGFISHER
SPOT LOCATION: SE SE SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 225 2442

Lease Name: BROCKET 18-05-09 Well No: 1H Well will be 225 feet from nearest unit or lease boundary.
Operator Name: STAGHORN PETROLEUM LLC Telephone: 9185842558 OTC/OCC Number: 23753 0

STAGHORN PETROLEUM LLC
1 W 3RD ST STE 1000
TULSA, OK 74103-3500

JOSEPH B. VADDER, TRUSTEE
25912 EAST 660 ROAD
HENNESSEY OK 73742

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

Name	Depth	Name	Depth
1 MISS'AN (EX CHESTER)	6387	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 635034

Location Exception Orders: 635874
646449

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 11900

Ground Elevation: 1124

Surface Casing: 400

Depth to base of Treatable Water-Bearing FM: 150

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: KINGMAN

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 16-31648

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 09 Twp 18N Rge 5W County KINGFISHER

Spot Location of End Point: NW NW NW NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 2600

Depth of Deviation: 6394

Radius of Turn: 750

Direction: 3

Total Length: 4328

Measured Total Depth: 11900

True Vertical Depth: 6856

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

Notes:

Category

Description

BOTTOM-HOLE LOCATION

10/5/2016 - G75 - 165' FNL, 2600' FEL NE4 9-18N-5W PER STAKING PLAT;

HYDRAULIC FRACTURING

10/5/2016 - 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/](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.

LOCATION EXCEPTION - 635874

10/5/2016 - G75 - (I.O.) 9-18N-5W
X635034 MSNLC, OTHER
COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FWL
DORADO E & P PARTNERS, L.L.C. **
1-30-2015

** ITD HAS STAGHORN PETRO. LLC AS OPERATOR; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER OPERATOR

LOCATION EXCEPTION - 646449

10/5/2016 - G75 - EXTEND 635874 UNTIL 1-30-2017

SPACING - 635034

10/5/2016 - G75 - (640)(HOR) 9-18N-5W
VAC 44960/62761 MSSLM NE4, SW4, E2 NW4, W2 SE4
EST MSNLC, OTHERS
POE TO BHL NCT 660' FB
(COEXIST SP. ORDER # 44960/62761 MSSLM E2 SE4 & W2 NW4)

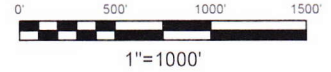


Well Location Plat

SHOWING FINAL PAD ELEVATION

API 073-25393

Operator : STAGHORN PETROLEUM, LLC
 Lease Name and No. : BROCKET 18-05-09 #1H
 Footage : 225' FSL - 2442' FWL PAD ELEVATION : 1124' Good Site? YES
 Section : 9 Township : 18N Range : 5W I.M.
 County : Kingfisher State of Oklahoma
 Alternate Loc. : N/A
 Terrain at Loc. : Location fell in existing level pad site.



Accessibility : From the North.

Directions : From the junction of U.S. Hwy 81 & State Hwy 51 in the town of Hennessey, OK, go 5.5 miles East on Hwy 51, go 4.0 miles South on "NS 292 Rd.," go 3.0 miles East on "EW 66 Rd.," go 1.0 mile South on "NS 295 Rd." to the Southwest Corner of Section 9-18N-5W.

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

X:2015930
Y:13093634

X:2010605
Y:13093534

GPS DATUM
 NAD - 83
 NAD - 27
 UTM - ZONE 14

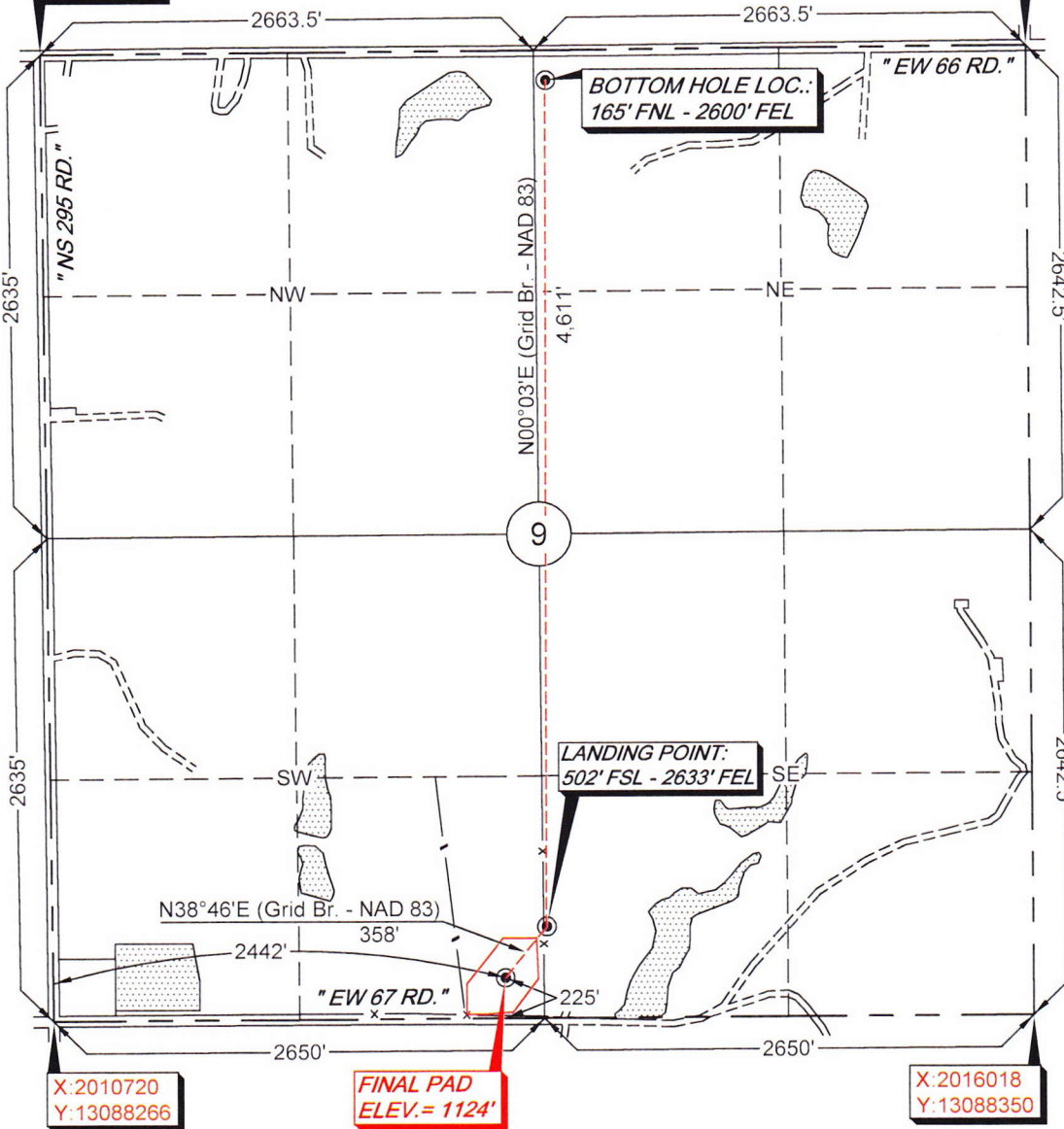
Surface Hole Loc. :
 Lat: 36°02'39.45"N
 Lon: 97°44'20.86"W
 LAT: 36.04425086
 LON: -97.73879723
 X: 2013156
 Y: 13088529

Landing Point:
 Lat: 36°02'42.20"N
 Lon: 97°44'18.12"W
 LAT: 36.04501584
 LON: -97.73803684
 X: 2013377
 Y: 13088811

Bottom Hole Loc. :
 Lat: 36°03'27.80"N
 Lon: 97°44'17.92"W
 LAT: 36.05768174
 LON: -97.73798199
 X: 2013334
 Y: 13093420

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.

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



X:2010720
Y:13088266

**FINAL PAD
ELEV.= 1124'**

X:2016018
Y:13088350

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

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.

Invoice #6375-A
 Date Staked : 09/27/16 By : J.W.
 Date Drawn : 09/28/16 By : R.S.
 Added Landing Point : 10/06/16 By : R.S.

Lance G. Mathis
 LANCE G. MATHIS 10/06/16
 OK LPLS 1664

