

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

API NUMBER: 073 25406

Approval Date: 11/01/2016  
Expiration Date: 05/01/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 15 Twp: 19N Rge: 6W County: KINGFISHER  
SPOT LOCATION:  NE  NE  NE  NW FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 323 250

Lease Name: EAST HENNESSEY UNIT Well No: 216H Well will be 250 feet from nearest unit or lease boundary.  
Operator Name: HINKLE OIL & GAS INC Telephone: 4058480924 OTC/OCC Number: 21639 0

HINKLE OIL & GAS INC  
5600 N MAY AVE STE 295  
OKLAHOMA CITY, OK 73112-4275

VIRGIL E AND ROSE ANN SCHOVANEC  
EAST 610 ROAD  
HENNESSEY OK 73742

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN SOLID	7000	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 61709

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 12859

Ground Elevation: 1105

**Surface Casing: 360**

Depth to base of Treatable Water-Bearing FM: 310

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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: SALT PLAINS

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 16-31749

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 15 Twp 19N Rge 6W County KINGFISHER

Spot Location of End Point: SE SE SE SW

Feet From: SOUTH 1/4 Section Line: 1

Feet From: EAST 1/4 Section Line: 180

Depth of Deviation: 6972

Radius of Turn: 520

Direction: 179

Total Length: 5070

Measured Total Depth: 12859

True Vertical Depth: 7459

End Point Location from Lease,  
Unit, or Property Line: 0

Notes:

Category

Description

BOTTOM HOLE LOCATION

11/1/2016 - G64 - 0' FSL, 180' FEL PER STAKING PLAT

HYDRAULIC FRACTURING

10/31/2016 - 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.

SPACING - 61709

11/1/2016 - G64 - (UNIT) 15-19N-6W & N2 22-19N-6W  
EST EAST HENNESSEY UNIT FOR THE OSWG, MNNG, MSSSD

SURFACE LOCATION

11/1/2016 - G64 - 323' FNL, 250' FEL PER STAKING PLAT