| PI NUMBER: 073 25410<br>prizontal Hole Oil & Gas   | OIL & GAS<br>OKLAHO                 | CORPORATION COMMIS<br>CONSERVATION DIVISI<br>P.O. BOX 52000<br>MA CITY, OK 73152-2000<br>(Rule 165:10-3-1) | ON                          | Approval Date:<br>Expiration Date: | 11/04/2016<br>05/04/2017 |  |
|--|-------------------------------------|--|-----------------------------|------------------------------------|--------------------------|--|
|  | E                                   | PERMIT TO DRILL  |                             |                                    |                          |  |
|  |                                     |  |                             |                                    |                          |  |
| WELL LOCATION: Sec: 29 Twp: 17N Rge: 6W  | County: KINGF                       |  |                             |                                    |                          |  |
|  | SECTION LINES:                      | SOUTH FROM WEST<br>201 1521  |                             |                                    |                          |  |
| Lease Name: NICKLAUS 1706  |                                     | 1-29MH   | Well will be                | 201 feet from nearest              | unit or lease boundary.  |  |
| Operator OKLAHOMA ENERGY ACQUISITION<br>Name:  | S LP                                | Telephone: 2815300991  | C                           | DTC/OCC Number:                    | 23509 0                  |  |
| OKLAHOMA ENERGY ACQUISITIONS L<br>15021 KATY FWY STE 400   |                                     |  | RD & CAROLYN<br>E. 760 ROAD | N COPELAND LIVIN                   | G TRUST                  |  |
| HOUSTON, TX 7  | 7094-1900                           | KINGFI   | SHER                        | OK 737                             | 50                       |  |
| 1 MISS'AN (EX CHESTER)<br>2<br>3<br>4<br>5   |                                     | 6<br>7<br>8<br>9<br>10   |                             |                                    |                          |  |
| Spacing Orders: 656171   | Location Exception O                | orders: 656615   | Incr                        | eased Density Orders:              |                          |  |
| Pending CD Numbers:  |                                     |  | Spe                         | cial Orders:                       |                          |  |
| Total Depth: 11573 Ground Elevation: 103   | <sup>3</sup> Surface C              | asing: 500   | Depth to                    | base of Treatable Water-B          | earing FM: 130           |  |
| Under Federal Jurisdiction: No   | Fresh Water Supply Well Drilled: No |  |                             | Surface Water used to Drill: No    |                          |  |
| PIT 1 INFORMATION  |                                     | Approved Method  | for disposal of Drilling    | Fluids:                            |                          |  |
| Type of Pit System: CLOSED Closed System Means Ste   | eel Pits                            |  |                             |                                    |                          |  |
| Type of Mud System: WATER BASED  | D. One time land application (RE    |  |                             | ,                                  | PERMIT NO: 16-3173       |  |
| Chlorides Max: 4000 Average: 1800<br>Is depth to top of ground water greater than 10ft below base<br>Within 1 mile of municipal water well? N<br>Wellhead Protection Area? N | e of pit? Y                         | H. CLOSED SYS  | I EM=STEEL PITS PE          | R OPERATOR REQUEST                 |                          |  |
| Pit <b>is</b> located in a Hydrologically Sensitive Area.  |                                     |  |                             |                                    |                          |  |
| Category of Pit: C   |                                     |  |                             |                                    |                          |  |
| Liner not required for Category: C   |                                     |  |                             |                                    |                          |  |
| Pit Location is ALLUVIAL   |                                     |  |                             |                                    |                          |  |
| Pit Location Formation: ALLUVIUM   |                                     |  |                             |                                    |                          |  |

## HORIZONTAL HOLE 1

| Sec 29 Twp 17N Rge 6W Cour          | nty KINGFISHER  |  |  |  |  |
|-------------------------------------|---|--|--|--|--|
| Spot Location of End Point: NE NW N | W NW  |  |  |  |  |
| Feet From: NORTH 1/4 Section Line:  | 200   |  |  |  |  |
| Feet From: WEST 1/4 Section Line:   | 355   |  |  |  |  |
| Depth of Deviation: 5660            |   |  |  |  |  |
| Radius of Turn: 750                 |   |  |  |  |  |
| Direction: 350                      |   |  |  |  |  |
| Total Length: 4735                  |   |  |  |  |  |
| Measured Total Depth: 11573         |   |  |  |  |  |
| True Vertical Depth: 6600           |   |  |  |  |  |
| End Point Location from Lease,      |   |  |  |  |  |
| Unit, or Property Line: 200         |   |  |  |  |  |
|                                     |   |  |  |  |  |
| Notes:                              |   |  |  |  |  |
| Category                            | Description   |  |  |  |  |
| DEEP SURFACE CASING                 | 11/3/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS<br>OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR<br>SURFACE CASING   |  |  |  |  |
| HYDRAULIC FRACTURING                | 11/3/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC<br>FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE<br>FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF<br>FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF<br>FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS<br>DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME<br>COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE. |  |  |  |  |
| LOCATION EXCEPTION - 656615         | CEPTION - 656615 11/4/2016 - G75 - (I.O.) 29-17N-6W<br>X656171 MSNLC, OTHERS<br>COMPL. INT. NCT 200' FSL, NCT 200' FNL, NCT 330' FWL OR FEL<br>OKLAHOMA ENERGY ACQUISITIONS, LP<br>10-4-2016  |  |  |  |  |
| SPACING - 656171                    | W2016 - G75 - (640)(HOR) 29-17N-6W<br>C OTHER<br><sup>-</sup> 653076 MSNLC, OTHERS<br>E TO BHL NLT 660' FB<br>EXIST SP. ORDER # 108186 MISS)  |  |  |  |  |

## API 073-25410

| CIMARRON Oklahoma City, OK<br>(405) 692-7348   |  |  |  |  |
|--|--|--|--|--|
| C.A. NO. 1780 Expires JUNE 30, 2018  |  |  |  |  |
| KINGFISHERCounty, Oklahoma   |  |  |  |  |
| 201'FSL - 1521'FWL Section29 Township17N Range _6W I.M.  |  |  |  |  |
| Y: 337552N<br>Y: 2038032E  |  |  |  |  |
| X: 200002L   |  |  |  |  |
|  |  |  |  |  |
| 200'FNL × 355'FWL  |  |  |  |  |
| <u>NAD-27 (US Feet)</u><br>LAT: <u>35'55'36.112"N</u>  |  |  |  |  |
| LONG: <u>97'52'13.222"W</u><br>LAT: <u>35.92670 N</u><br>LONG: 97.87034 W  |  |  |  |  |
| $\begin{array}{c ccccccccccccccccccccccccccccccccccc$  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| 29   |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| 1st Take Point   |  |  |  |  |
| 200'FSL x 355'FWL<br><u>NAD-27 (US Feet)</u><br><u>AT: 7554'77 855</u> ''  |  |  |  |  |
| LAN: 33 54 47.855 N<br>LONG: <u>9752'12.618''W</u>   |  |  |  |  |
| LAT: <u>35.91329 N</u><br>LONG: <u>97.87017 W</u>  |  |  |  |  |
| Y: <u>332471N</u><br>X: <u>2038446E</u>  |  |  |  |  |
| Proposed Pad<br>Cultivation  |  |  |  |  |
| <u>Y: 332272N</u><br>X: 2038093E 1521' 1114' X: 2043369E   |  |  |  |  |
|  |  |  |  |  |
| Scale: 1"= 1000' Date Staked: <u>May 25, 2016</u>  |  |  |  |  |
| GPS Observation: Latitude <u>35°54'47.812" N</u><br>Longitude <u>97°51'58.444" W</u> State Plane NAD27 <u>Y: 332468N</u> |  |  |  |  |
| Latitude <u>35.91328 N</u> Oklahoma North Zone: X:2039612E   |  |  |  |  |
| Longitude <u>97.86623 W</u>  |  |  |  |  |
| Operator: <u>OKLAHOMA ENERGY ACQUISITIONS, LP</u> Elevation: <u>1038</u>   |  |  |  |  |
| Lease Name: <u>Nicklaus 1706</u> Well No.: <u>1-29MH</u>   |  |  |  |  |
| Topography & Vegetation: <u>Cultivation</u>  |  |  |  |  |
| Alternate Location Stakes Set: <u>No</u> Good Drill Site? <u>Yes</u>   |  |  |  |  |
| Best Accessibility to Location: <u>From the South Line</u>   |  |  |  |  |
| Distance & Direction   |  |  |  |  |
| from Hwy Jct or Town: From the town of Dover; Thence south along U.S. Hwy. 81  |  |  |  |  |
| approx. 5 miles; Thence east approx. 3½ miles to the Southwest Corner of Section 29.                                     |  |  |  |  |
|  |  |  |  |  |
| SURVEYOR'S CERTIFICATE:<br>I, D. MIKE DOSSEY, Registered Professional Land Surveyor, No. 1431                            |  |  |  |  |
| do hereby certify that the above described well location was   |  |  |  |  |
| carefully staked on the ground as shown and that all ties and distances shown are from existing lines of occupation.     |  |  |  |  |
|  |  |  |  |  |
| DATE: 05/26/16   |  |  |  |  |
| DRAWN BY: T.A.W. NO. REVISION DATE BY D. MIKE DOSSEY R.P.L.S. # 1431   |  |  |  |  |