

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

API NUMBER: 119 24425

Approval Date: 11/14/2016
Expiration Date: 05/14/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 18N Rge: 5E County: PAYNE
SPOT LOCATION: NE NW NW NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 162 515

Lease Name: LIFE LINE 34 Well No: 1-27MH Well will be 162 feet from nearest unit or lease boundary.
Operator Name: CROWN ENERGY COMPANY Telephone: 4055260111 OTC/OCC Number: 19779 0

CROWN ENERGY COMPANY
1117 NW 24TH ST
OKLAHOMA CITY, OK 73106-5615

FULL GOSPEL CHURCH
2010 N LITTLE AVE
CUSHING OK 74023

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

Name	Depth	Name	Depth
1	MISSISSIPPI	3585	6
2			7
3			8
4			9
5			10

Spacing Orders: 612202

Location Exception Orders: 657524

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 9255

Ground Elevation: 869

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 850

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: 3500 Average: 1000

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: VANOSS

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 16-31708

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 27 Twp 18N Rge 5E County PAYNE

Spot Location of End Point: NE NW NW NW

Feet From: NORTH 1/4 Section Line: 178

Feet From: WEST 1/4 Section Line: 380

Depth of Deviation: 3400

Radius of Turn: 671

Direction: 3

Total Length: 4800

Measured Total Depth: 9255

True Vertical Depth: 3732

End Point Location from Lease,
Unit, or Property Line: 178

Notes:

Category

Description

HYDRAULIC FRACTURING

11/14/2016 - 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 - 657524

11/14/2016 - G60 - (I.O.) 27-18N-5E
X612202 MSSP ***
COMPL. INT. NCT 150' FNL, NCT 150' FSL, NCT 330' FWL
CROWN ENERGY COMPANY OR CROWN ENERGY RESOURCES, LLC.
11/2/16

***WILL BE CHANGED TO MISS AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER OPERATOR

SPACING - 612202

11/14/2016 - G60 - (640)(HOR) 27-18N-5E
VAC OTHER
EST MISS, OTHERS
COMPL. INT. NCT 330' FB
(COEXIST WITH UNSPACED NON-HORIZONTAL WELLS)