

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

API NUMBER: 153 23594

Approval Date: 11/22/2016
Expiration Date: 05/22/2017

Straight Hole Disposal

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 21N Rge: 17W County: WOODWARD
SPOT LOCATION: NE NW NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 120 751

Lease Name: GARVIE SWD Well No: 1 Well will be 120 feet from nearest unit or lease boundary.
Operator Name: RED MOUNTAIN OPERATING LLC Telephone: 4058424500 OTC/OCC Number: 23694 0

RED MOUNTAIN OPERATING LLC
6832 N ROBINSON AVE
OKLAHOMA CITY, OK 73116-9039

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6832 N. ROBINSON AVE.
OKLAHOMA CITY OK 73116

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

Name	Depth	Name	Depth
1 WOLFCAMP	3100	6	
2 VIRGILIAN	5300	7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 5400 Ground Elevation: 1740 **Surface Casing: 900** Depth to base of Treatable Water-Bearing FM: 40

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: WATER BASED

Chlorides Max: 8000 Average: 5000

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: 1B

Liner required for Category: 1B

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

Notes:

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.

Category	Description
DEEP SURFACE CASING	11/14/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
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/ 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	11/14/2016 - G71 - N/A - DISPOSAL WELL
SURFACE LOCATION	11/21/2016 - G75 - 120' FNL, 751' FEL NE4 33-21N-17W WITH GROUND ELEVATION OF 1740' PER STAKING PLAT

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.



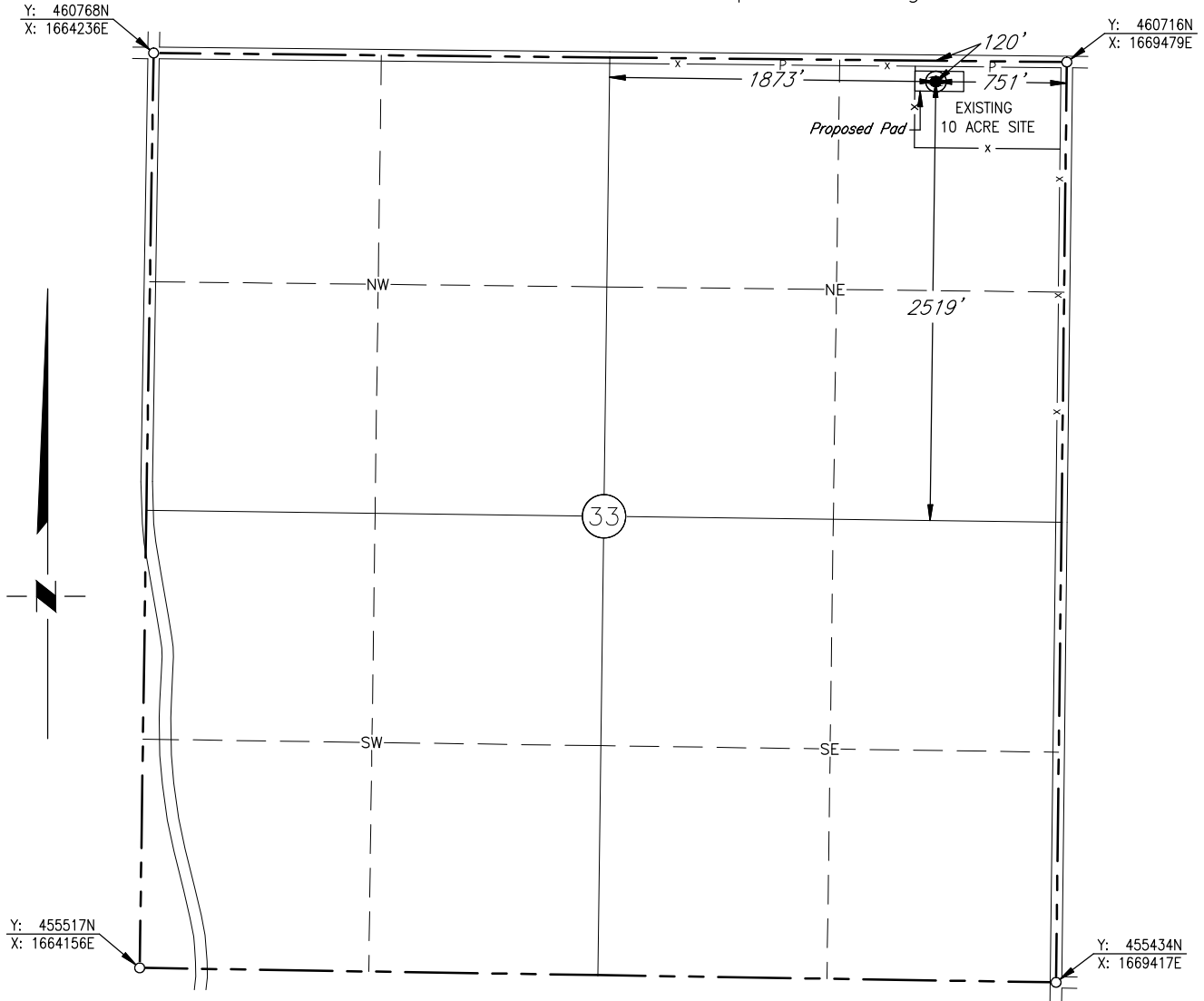
CIMARRON
SURVEYING & MAPPING CO.

Oklahoma City, OK
(405) 692-7348
CIMSURVEY.COM

C.A. No. 1780 Expires June 30, 2018

WOODWARD County, Oklahoma

120'FNL - 751'FEL Section 33 Township 21N Range 17W I.M.



Scale: 1" = 1000'

Date Staked: October 26, 2016

GPS Observation: Latitude 36°15'39.657" N
 Longitude 99°01'00.575" W
 Latitude 36.26102 N
 Longitude 99.01683 W

State Plane NAD83 Y: 460603N
 Oklahoma North Zone: X:1668726E

Operator: RED MOUNTAIN OPERATING, LLC. Elevation: 1740'

Lease Name: Garvie SWD Well No.: 1

Topography & Vegetation: Pasture

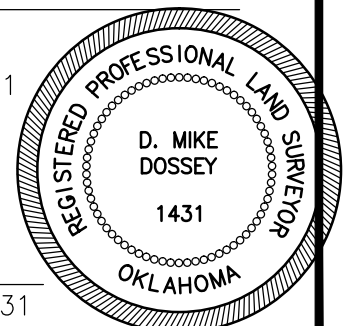
Alternate Location Stakes Set: No Good Drill Site? Yes

Best Accessibility to Location: From the North Line

Distance & Direction
 from Hwy Jct or Town: From the town of Cedardale; Thence south 4 miles; Thence west 1 mile to the Northeast Corner of Section 33.

SURVEYOR'S CERTIFICATE:

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.



PRELIMINARY

D. MIKE DOSSEY R.P.L.S. # 1431

JOB NO.: 1614255				
DATE: 11/03/16				
DRAWN BY: T.A.W.	NO.	REVISION	DATE	BY