

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

API NUMBER: 051 24097

Approval Date: 12/19/2016
Expiration Date: 06/19/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 9N Rge: 6W County: GRADY
SPOT LOCATION: NE NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 165 240

Lease Name: JESSE CHISHOLM 12-1-9-6 Well No: 1XH Well will be 165 feet from nearest unit or lease boundary.

Operator Name: LINN OPERATING INC Telephone: 4052412237; 4052412 OTC/OCC Number: 22182 0

LINN OPERATING INC
14701 HERTZ QUAIL SPRINGS PKWY
OKLAHOMA CITY, OK 73134-2641

SHARON IORIO & L. RICHARD IORIO, CO-TRUSTEES
14530 SHARON LANE
WICHITA KS 67230

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	10400	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 256715
144013

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201604413
201604414
201605965
201605962

Special Orders:

Total Depth: 18055 Ground Elevation: 1336 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 490

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

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 not located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2

Pit Location is NON HSA

Pit Location Formation: CHICKASHA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

B. Solidification of pit contents.

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

PERMIT NO: 16-31792

H. SEE MEMO

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.

PIT 2 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: OIL BASED
Chlorides Max: 300000 Average: 200000
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 not located in a Hydrologically Sensitive Area.

Category of Pit: 3
Liner required for Category: 3
Pit Location is NON HSA
Pit Location Formation: CHICKASHA

HORIZONTAL HOLE 1

Sec 01 Twp 9N Rge 6W County GRADY
Spot Location of End Point: S2 S2 S2 NW
Feet From: NORTH 1/4 Section Line: 2597
Feet From: WEST 1/4 Section Line: 1320
Depth of Deviation: 9827
Radius of Turn: 573
Direction: 10
Total Length: 7328
Measured Total Depth: 18055
True Vertical Depth: 10400
End Point Location from Lease,
Unit, or Property Line: 1320

Notes:

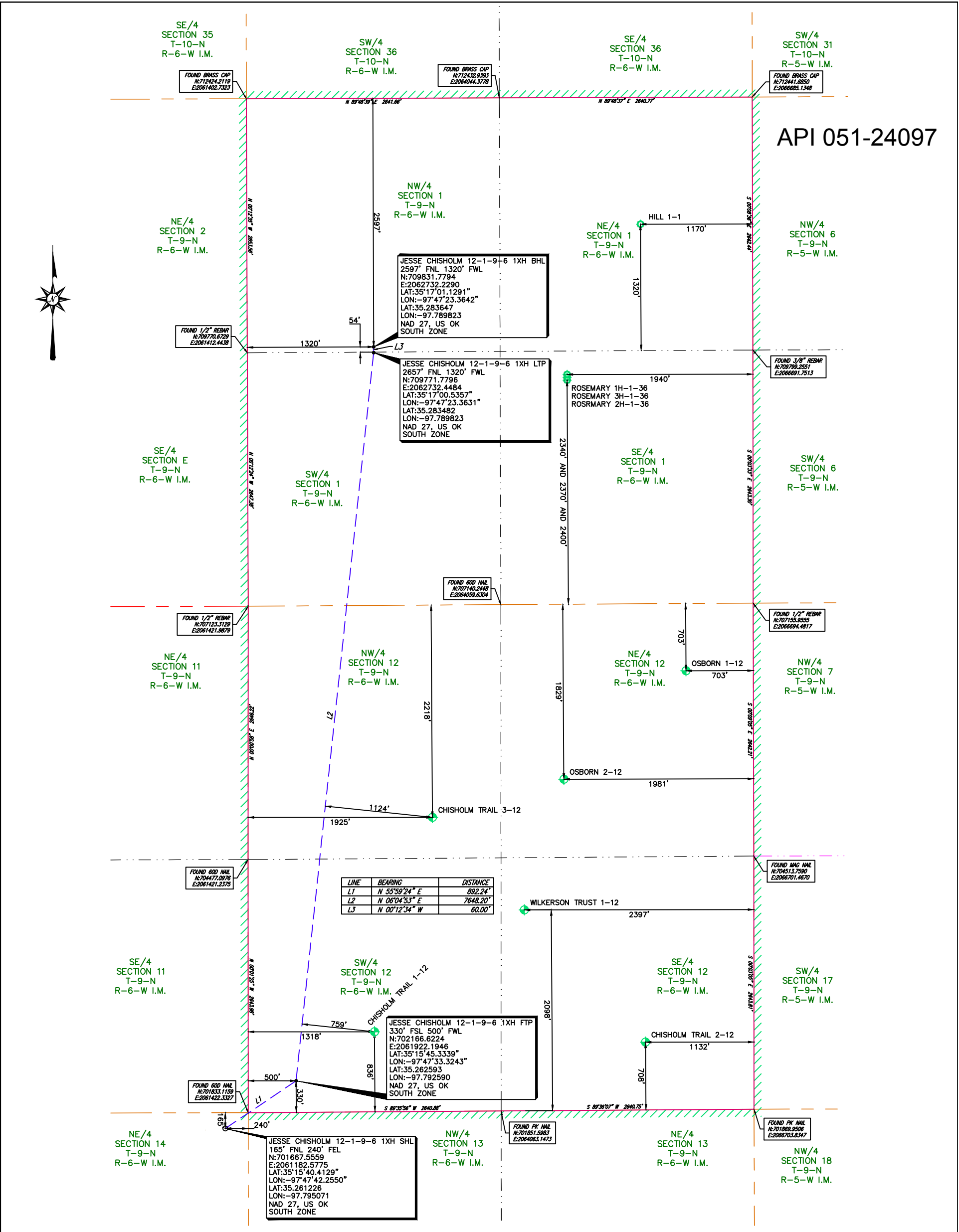
Table with 2 columns: Category, Description. Rows include DEEP SURFACE CASING, HYDRAULIC FRACTURING, MEMO, and PENDING CD - 201604413.

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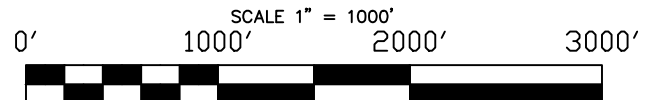
Category	Description
PENDING CD - 201604414	12/12/2016 - G75 - (I.O.) XOTHERS X256715 MSSP 1-9N-6W X144013 MSSP 12-9N-6W SHL (14-9N-6W) 165' FNL, 240' FEL COMPL. INT. (12-9N-6W) NCT 165' FSL, NCT 0' FNL, NCT 330' FWL COMPL. INT. (1-9N-6W) NCT 0' FSL, NCT 2700' FSL, NCT 330' FWL NO OP. NAMED REC 11-14-2016 (P. PORTER)
PENDING CD - 201605962	12/16/2016 - G75 - 12-9N-6W X144013 MSSP 1 WELL NO OP. NAMED HEARING 1-17-2017
PENDING CD - 201605965	12/16/2016 - G75 - 1-9N-6W XOTHER X256715 MSSP 1 WELL NO OP. NAMED HEARING 1-17-2017
SPACING - 144013	12/12/2016 - G75 - (640) 12-9N-6W EXT OTHERS EST MSSP, OTHERS
SPACING - 256715	12/9/2016 - G75 - (640) 1-9N-6W EXT 253223 MSSP, OTHERS EXT OTHERS EST OTHER

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API 051-24097



INTERNAL PLAT OF
LINN OPERATING, INC
JESSE CHISHOLM 12-1-9-6 1XH
MINCO FIELD
SHL: 165' FNL & 240' FEL (OFFSITE IN SECTION 14)
SECTIONS 12 & 1, TOWNSHIP 9 NORTH, RANGE 6 WEST I.M.
LEASE LINES
SHL: 165' FSL & 240' FWL
GRADY COUNTY, OKLAHOMA



NOTE:
1. COMBINED SCALE FACTOR: 0.999953993
2. SHL IS APPROXIMATELY 2.25 MILES S 25°16'17" E OF TUTTLE OKLAHOMA.

<p>LEGEND</p> <ul style="list-style-type: none"> POINT EXISTING WELLHEAD PROPOSED WELL LOCATION SET SURFACE LOCATION SET FROM OCC OKLAHOMA CORPORATION COMMISSION 	<ul style="list-style-type: none"> AS-DRILLED LATERAL SUBJECT PROPOSED LATERAL PROPOSED LATERAL LEASE LINE SURVEY LINE 	<p>ORIGINAL STAKE DATE: 09/15/16 RE-STAKED DATE: 11/30/16 ADDED LATERAL DATE: 12/05/16 CORRECTED FOOTAGE CALLS DATE: 12/06/16</p>	<p>NOTE: 1. BEARINGS, DISTANCES & ACREAGE ARE GRID, NAD 27 US OK SOUTH ZONE AND ARE OBTAINED BY NORMAL GPS TECHNIQUES. 2. ELEVATIONS ARE BASED ON NAVD 88 COMPUTED USING GEOID 12B. 3. THIS SURVEY IS FOR AN OIL & GAS SUB-SURFACE LEASE AND IS NOT A BOUNDARY SURVEY. 4. LOCATION OF ADJOINING WELLS OUTSIDE LEASE BOUNDARY ARE APPROXIMATED FROM OKLAHOMA CORPORATION COMMISSION DATA. 5. DOWNHOLE INFORMATION PROVIDED BY THE CLIENT. 6. THIS SURVEY COMPLIES WITH THE US PUBLIC LAND SURVEY SYSTEM AND MEETS THE OKLAHOMA MINIMUM STANDARDS FOR THE PRACTICE OF LAND SURVEYING AS ADOPTED BY THE OKLAHOMA STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS, EFFECTIVE JULY 25, 2013. 7. THIS IS NOT A BOUNDARY SURVEY. 8. THIS PERMIT PLAT HAS BEEN PREPARED FROM A SURVEY PLAT ON FILE IN THE OFFICE OF JOHN F. WATSON & COMPANY, MIDLAND TEXAS. I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE SURVEY INFORMATION FOUND ON THIS PLAT WAS DERIVED FROM ACTUAL FIELD NOTES OF ON-THE-GROUND SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.</p>
<p>John F. Watson & Company LAND & DEVELOPMENT SERVICES PROFESSIONAL LAND SURVEYORS 200 N. Loraine, Ste. 220 Midland, Texas 79701 jwatson@windearthwater.com</p>	<p>CA#5957 EXPIRATION 6-30-2017 200 N LORAIN #220 MIDLAND, TX 79701 (432) 520-2400</p>	<p>REV: 1 AFE NO.: - JOB NO.: 16-0188 FIELD BOOK: SERVER VER: 1 DRAWN BY: EHM</p>	<p>PROFESSIONAL LAND SURVEYOR 12/06/16 SHEET 1 OF 5</p>