

API NUMBER: 011 23741

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

Approval Date: 02/10/2017
Expiration Date: 08/10/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: Twp: 17N Rge: 12W County: BLAINE
SPOT LOCATION: ☐ NE ☐ NE ☐ NE ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 305 279

Lease Name: BARNES

Well No: 1-5H

Well will be 279 feet from nearest unit or lease boundary.

Operator Name: COUNCIL OAK RESOURCES LLC

Telephone: 9185130925

OTC/OCC Number: 23853 0

COUNCIL OAK RESOURCES LLC
6120 S YALE AVE STE 1200
TULSA, OK 74136-4241

B J QUISENBERRY
11517 NW 6TH STREET
YUKON OK 73099

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	9889	6	
2	WOODFORD	10402	7	
3			8	
4			9	
5				

Spacing Orders: 657150

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201700133

Special Orders:

Total Depth: 15351

Ground Elevation: 1634

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 40

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 65000 Average: 6500

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

PERMIT NO: 17-32128

H. SEE MEMO

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 ARBE DEPOSIT

Pit Location Formation: TERRACE

* Well will not
be drilled
per operator

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.

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PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 05 Twp 17N Rge 12W County BLAINE

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 65

Feet From: EAST 1/4 Section Line: 400

Depth of Deviation: 9901

Radius of Turn: 421

Direction: 359

Total Length: 4789

Measured Total Depth: 15351

True Vertical Depth: 10402

End Point Location from Lease,
Unit, or Property Line: 65

Notes:

Category

Description

COMPLETION INTERVAL

2/10/2017 - G64 - WILL BE GREATER THAN 165' FSL & FNL, 330' FEL PER OPERATOR

DEEP SURFACE CASING

2/7/2017 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

2/7/2017 - 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

INTERMEDIATE CASING

2/7/2017 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES

MEMO

2/7/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201700133

2/10/2017 - G64 - (I.O.) 5-17N-12W
X657150 MSSP, WDFD
COMPL. INT. NCT 165' TO SL, NCT 165' TO NL, NCT 330' TO EL
NO OP. NAMED
REC. 2-7-2017 (MCKEOWN)

This permit does not address the right of entry or settlement of surface damages.

011 23741 BARNES 1-5H

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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
SPACING - 657150	2/10/2017 - G64 - (640)(HOR) 5-17N-12W VAC 607852 MSSSD, WDFD, OTHER VAC OTHER EXT 654667 MSSP, WDFD, OTHER COMPL. INT. (MSSP, HNTN) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL

API: 011 23741

COR Well Location Plat

Operator : COUNCIL OAK RESOURCES, LLC

Lease Name and No. : BARNES 1-5H

Footage : 305' FNL - 279' FEL GR. ELEVATION : N/A Good Site? YES

Section : 8 Township : 17N Range : 12W I.M.

County : Blaine State of Oklahoma

Alternate Loc. : N/A

Terrain at Loc. : Location fell in open, hilly pasture; $\pm 245'$ S. of an existing E-W ROW fence & aerial power line, $\pm 250'$ W. of an existing N-S ROW fence, & $\pm 225'$ N. of an existing E-W lease road.

Accessibility : From the South.

Directions : From the junction of U.S. Hwy 270/281 & State Hwy 8/51A in Watonga, OK, go 3.8 miles North on Hwy 8/51A, go 8.0 miles Northwesterly on Hwy 51A, and go 1.0 mile West on "E 720 Rd." to the Northeast Corner of Section 8-17N-12W.

S.H.L. Sec. 8-17N-12W I.M.
B.H.L. Sec. 5-17N-12W I.M.



0 663 1327 1550
1"=1320

GPS DATUM

NAD 83

NAD 27

OK NORTH ZONE

Surface Hole Loc.:
Lat: 35°58'13.36"N
Lon: 98°29'43.33"W
X: 1821917
Y: 353608

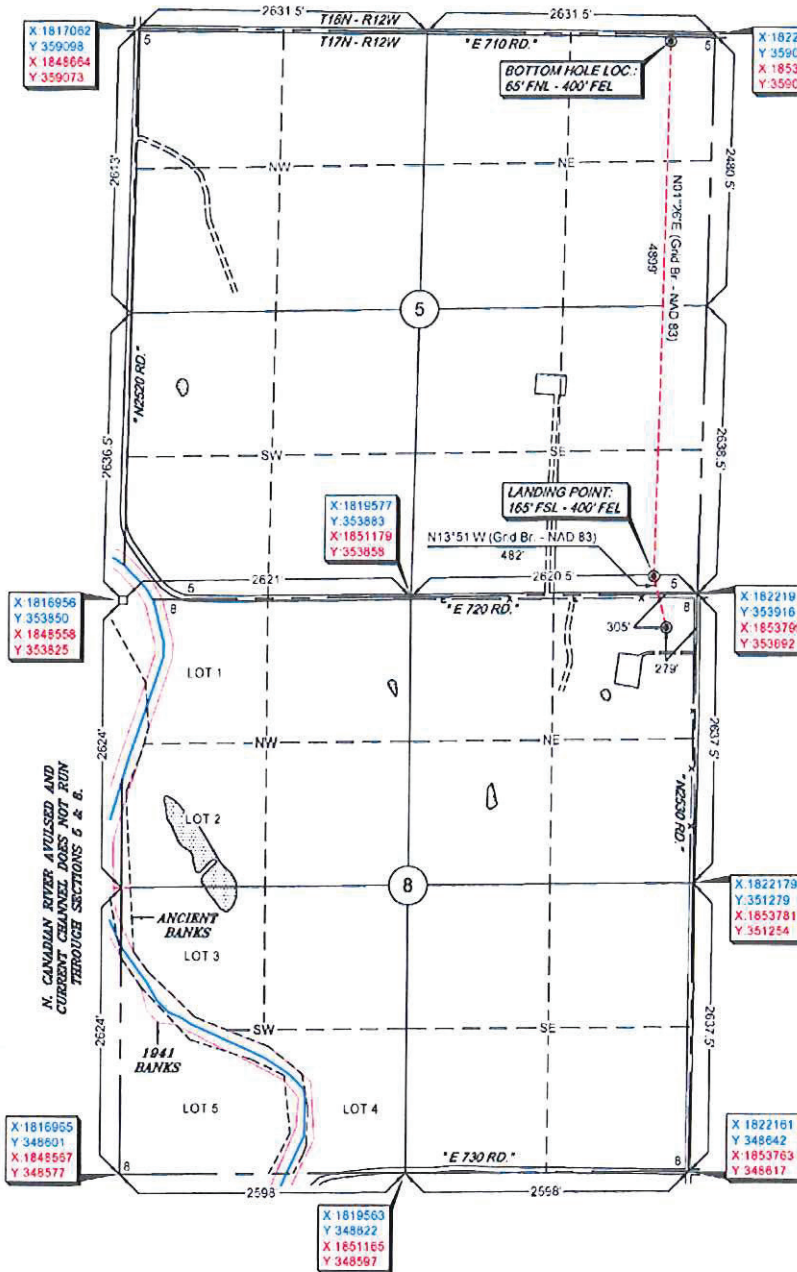
Surface Hole Loc.:
Lat: 35°58'13.22"N
Lon: 98°29'42.05"W
X: 1853519
Y: 353583

Landing Point:
Lat: 35°58'17.99"N
Lon: 98°29'44.76"W
X: 1821801
Y: 354076

Landing Point:
Lat: 35°58'17.84"N
Lon: 98°29'43.48"W
X: 1853403
Y: 354052

Bottom Hole Loc.:
Lat: 35°59'06.43"N
Lon: 98°29'43.58"W
X: 1821923
Y: 358974

Bottom Hole Loc.:
Lat: 35°59'06.28"N
Lon: 98°29'42.30"W
X: 1853525
Y: 358949



Please note that if a location was shown on the ground under the supervision of a Licensed Professional Land Surveyor, the accuracy of this survey is not guaranteed. Please contact the Surveyor for a complete listing of all locations. GPS data is observed from RTK-GPS.

NOTE: X and Y data shown herein for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey. Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been indicated on the ground, and further, does not represent a true boundary survey.

Survey and plat by
Arkoma Surveying and Mapping, PLLC
P.O. Box 238 Wiburton, OK 74578
Ph. 918-465-5711 Fax 918-465-5030
Certificate of Authorization No. 5348
Expires June 30, 2018

Invoice #6921
Date Staked: 01/23/17 By: R.L.
Date Drawn: 01/26/17 By: K.M.
Moved Well 80' E.: 02/01/17 By: K.M.

Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

Lance G. Mathis 02/02/17
LANCE G. MATHIS OK LPLS 1664

