

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

API NUMBER: 151 24503

Approval Date: 03/21/2017
Expiration Date: 09/21/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 03 Twp: 23N Rge: 13W County: WOODS
SPOT LOCATION: SE SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 250 560

Lease Name: DIETZ Well No: 5-3H Well will be 250 feet from nearest unit or lease boundary.

Operator Name: FAIRWAY RESOURCES OPERATING III LLC Telephone: 8176010628 OTC/OCC Number: 23943 0

FAIRWAY RESOURCES OPERATING III LLC
538 SILICON DR STE 101
SOUTHLAKE, TX 76092-7517

PATRICIA AND JEFF CRABTREE
5610 BRENWOOD GLEN TRAIL
KATY TX 77449

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

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

Spacing Orders: 286718

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201700402
201700401

Special Orders:

Total Depth: 12400

Ground Elevation: 1488

Surface Casing: 300

Depth to base of Treatable Water-Bearing FM: 120

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 Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 55000 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: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-32308
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 03 Twp 23N Rge 13W County WOODS

Spot Location of End Point: N2 N2 NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 6472

Radius of Turn: 554

Direction: 1

Total Length: 5057

Measured Total Depth: 12400

True Vertical Depth: 6930

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category	Description
HYDRAULIC FRACTURING	3/16/2017 - 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/ 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
PENDING CD - 201700401	3/17/2017 - G60 - (I.O.) 3-23N-13W X286718 MISS 1 WELL NO OP. NAMED REC. 3/20/17 (THOMAS)
PENDING CD - 201700402	3/17/2017 - G60 - (I.O.) 3-23N-13W X286718 MISS COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 560' FEL OR FWL NO OP. NAMED REC. 3/20/17 (THOMAS)
SPACING - 286718	3/17/2017 - G60 - (640) 3-23N-13W EXT 115868 MISS, OTHER



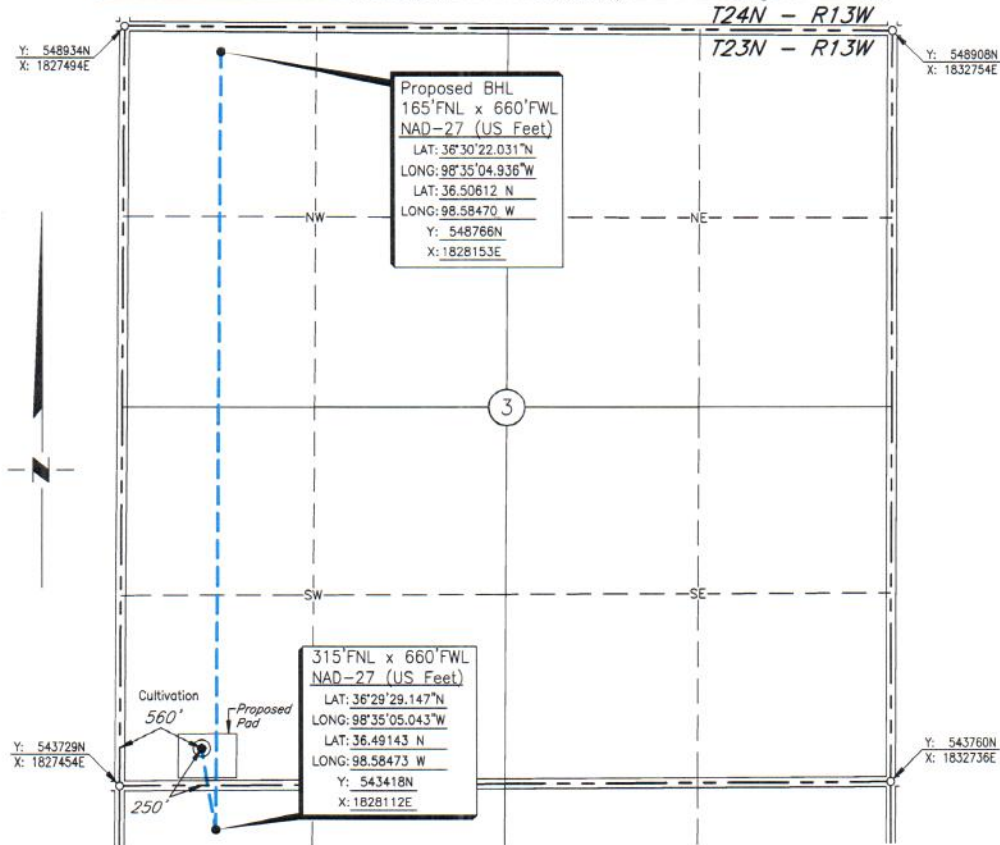
CIMARRON
SURVEYING & MAPPING CO.

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

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

WOODS County, Oklahoma

250'FSL - 560'FWL Section 3 Township 23N Range 13W I.M.



Scale: 1" = 1000'

Date Staked: March 1, 2017

GPS Observation: Latitude 36°35'06.258" N
Longitude 98°35'06.258" W
Latitude 36.49298 N
Longitude 98.58507 W

State Plane NAD27 Y: 543982N
Oklahoma North Zone: X: 1828016E

Operator: FAIRWAY RESOURCES OPERATING III, LLC Elevation: 1488'

Lease Name: DIETZ Well No.: 5-3H

Topography & Vegetation: Cultivation

Alternate Location Stakes Set: No Good Drill Site? Yes

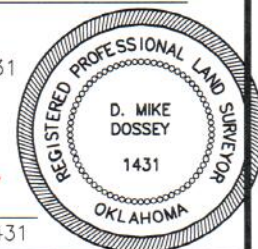
Best Accessibility to Location: From the south Line

Distance & Direction

from Hwy Jct or Town: From the Junction of U.S. Hwy. 281 & St. Hwy 45; Thence east along St. Hwy 45 approx. 3 miles; Thence south 6 miles, Thence east 2 miles to the Southwest Corner of Section 3.

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.:	171431				
DATE:	03/09/17				
DRAWN BY:	N.J.S.	NO.	REVISION	DATE	BY