

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

API NUMBER: 073 25571

Approval Date: 03/22/2017
Expiration Date: 09/22/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 07 Twp: 18N Rge: 9W County: KINGFISHER
SPOT LOCATION: SE SE SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 200 250

Lease Name: PRANCER 18-09-07 Well No: 1H Well will be 200 feet from nearest unit or lease boundary.
Operator Name: STAGHORN PETROLEUM LLC Telephone: 9185842558 OTC/OCC Number: 23753 0

STAGHORN PETROLEUM LLC
1 W 3RD ST STE 1000
TULSA, OK 74103-3500

FLOYD ALLEN LIPPS AND LINDA KAY LIPPS
30150 HIGHWAY 8
OKEENE OK 73763

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN SOLID	8190	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 661306

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201700831

Special Orders:

Total Depth: 13700

Ground Elevation: 1184

Surface Casing: 400

Depth to base of Treatable Water-Bearing FM: 240

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: 1500

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: CEDAR HILLS

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 17-32301

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 07 Twp 18N Rge 9W County KINGFISHER

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 380

Depth of Deviation: 8150

Radius of Turn: 551

Direction: 358

Total Length: 4684

Measured Total Depth: 13700

True Vertical Depth: 8600

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

Notes:

Category

Description

HYDRAULIC FRACTURING

3/21/2017 - 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

PENDING CD - 201700831

3/22/2017 - G64 - (I.O.) 7-18N-9W
X661306 MSSSD
COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 380' FEL
NO OP. NAMED
REC. 2-27-2017 (JOHNSON)

SPACING - 661306

3/22/2017 - G64 - (640)(HOR) 7-18N-9W
EXT OTHER
EST CSTR, MSSSD
COMPL. INT. NCT 660' FB
(COEXIST SP. ORDER 133025 MSSSD, OTHER; ORDER 49360 CRUNC)



Well Location Plat

Sec. 7-18N-9W I.M.

API: 073 25571

Operator : STAGHORN PETROLEUM, LLC

Lease Name and No. : PRANCER 18-09-07 1H

Footage : 200' FSL - 250' FEL GR. ELEVATION : 1184' Good Site? YES

Section : 7 Township : 18N Range : 9W I.M.

County : Kingfisher State of Oklahoma

Alternate Loc. : N/A

Terrain at Loc. : Stake fell in a cultivated field, ±170' North of an E-W fence.

Accessibility : From the Northwest.

Directions : From the junction of "EW 71 Rd." & "NS 274 Rd." in Loyal, OK, go 5 miles North on "NS 274 Rd.", then go 4.0 miles West on "EW 67 Rd." to the Southwest Corner of Section 7-18N-9W.



1" = 1000'

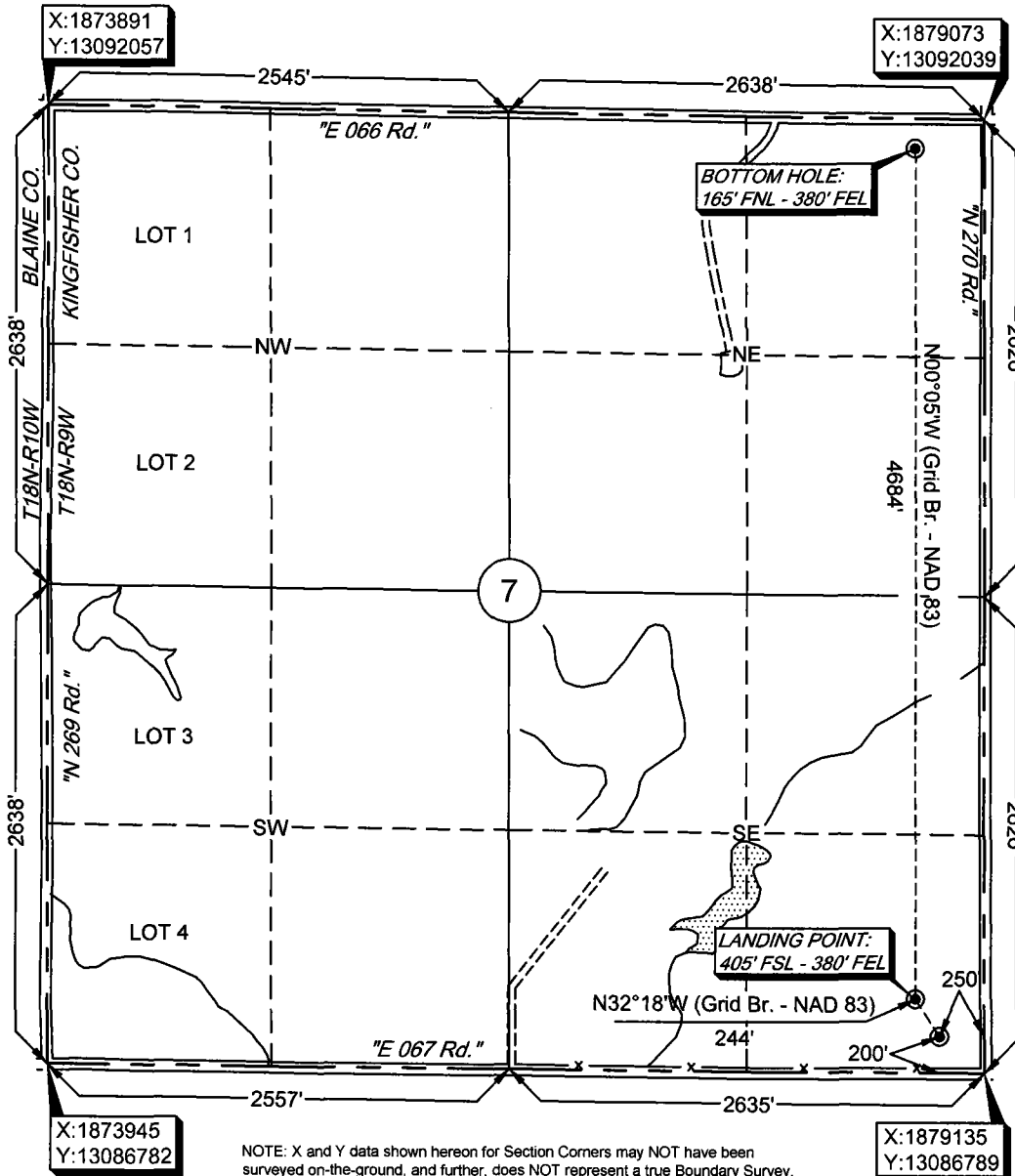
GPS DATUM
NAD - 83
NAD - 27
UTM - ZONE 14

Surface Hole Loc. :
Lat: 36°02'38.30"N
Lon: 98°11'36.47"W
Lat: 36.04393476
Lon: -98.19311873
X:1878882
Y:13086988

Landing Point Loc. :
Lat: 36°02'40.34"N
Lon: 98°11'38.06"W
Lat: 36.04450045
Lon: -98.19356088
X:1878750
Y:13087193

Bottom Hole Loc. :
Lat: 36°03'26.66"N
Lon: 98°11'38.25"W
Lat: 36.05736692
Lon: -98.19361475
X:1878695
Y:13091875

Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS. 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 measured on-the-ground, and further, does not represent a true boundary survey.



NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed 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 Wilburton, OK 74578

Ph. 918-465-5711 Fax 918-465-5030

Certificate of Authorization No. 5348

Expires June 30, 2018

Invoice #6723

Date Staked : 10/28/16 By : C.K.

Date Drawn : 11/04/16 By : C.S.

SHL Coordinate Rev. : 11/09/16 By : R.S.

Added LP : 03/15/17 By : C.S.

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

03/15/17

OK LPLS 1664

