

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

API NUMBER: 119 24420

Approval Date: 10/17/2016
Expiration Date: 10/17/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 18N Rge: 1E

County: PAYNE

SPOT LOCATION: NW NW NE NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 281 1560

Lease Name: WAYNE 34-18N-1E

Well No: 2MH

Well will be 281 feet from nearest unit or lease boundary.

Operator Name: WHITE STAR PETROLEUM LLC

Telephone: 8444024903; 8444024

OTC/OCC Number: 23358 0

WHITE STAR PETROLEUM LLC
PO BOX 13360
OKLAHOMA CITY, OK 73113-1360

WAYNE ALLEN BOYCE
9308 WEST 116TH
COYLE OK 73027

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	4851	6
2			7
3			8
4			9
5			10

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201602775
201602778
201602776

Special Orders:

Total Depth: 10000

Ground Elevation: 1060

Surface Casing: 480

Depth to base of Treatable Water-Bearing FM: 230

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: 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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

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

PERMIT NO: 16-31702

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 34 Twp 18N Rge 1E County PAYNE

Spot Location of End Point: SW SW SW SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 15

Depth of Deviation: 4127

Radius of Turn: 800

Direction: 175

Total Length: 4616

Measured Total Depth: 10000

True Vertical Depth: 4927

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

Notes:

Category	Description
HYDRAULIC FRACTURING	10/14/2016 - 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.
PENDING CD - 201602775	10/17/2016 - G75 - (640)(HOR) 34-18N-1E VAC OTHERS VAC 272158 CSTR, MSSLM E2 VAC 114771 MSSP NW4 VAC 208677 MSSP SW4 EXT 649901 MSSP, OTHERS POE TO BHL NCT 660' FB REC 10-11-2016 (M. PORTER)
PENDING CD - 201602776	10/17/2016 - G75 - 34-18N-1E X201602775 MSSP 1 WELL NO OP. NAMED REC 10-11-2016 (M. PORTER)
PENDING CD - 201602778	10/17/2016 - G75 - (I.O.) 34-18N-1E X201602775 MSSP, OTHERS COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 660' FWL NO OP. NAMED REC 10-11-2016 (M. PORTER)

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.



WHITE STAR
PETROLEUM

Permit ex 4/17/17
Suretyex 6/17/17
operator # 23359

TYLER FIXLEY
REGULATORY SPECIALIST

April 7, 2017

Oklahoma Corporation Commission
Oil and Gas Conservation Division
Attn: Virginia Hullinger
P.O. Box 52000
Oklahoma City, Oklahoma 73152-2000

RE: White Star Petroleum, LLC
Wayne 34-18N-1E 2MH, API# 3511924420
Approved Permit to Drill, Extension Request
NW NW NE NW 34-18N-1E

Dear Ms. Virginia Hullinger:

White Star Petroleum, LLC's ("WSTR"), permit to drill API# 3511924420 for the Wayne 34-18N-1E 2MH well, is set to expire on April 17, 2017. WSTR respectfully requests a six-month extension of our Oklahoma Corporation Commission, Oil and Gas Conservation Division permit to drill. All information included on the permit will remain the same and we understand the extension will be granted for only one six-month period.

Sincerely,

White Star Petroleum, LLC

Approved for 6 Month
Extension From
4-17-17
4-11-17 *[Signature]*

Enclosures

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BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

JLM
3-29-17

APPLICANT: WHITE STAR PETROLEUM, LLC AND
WHITE STAR PETROLEUM OPERATING, INC.

RELIEF SOUGHT: AMEND SPACING ORDER NO. 657034

LEGAL DESCRIPTION: SECTION 34, TOWNSHIP)	CAUSE CD NO. <u>201700145</u>
18 NORTH, RANGE 1 EAST, PAYNE COUNTY,)	
OKLAHOMA)	ORDER NO. <u>662402</u>

ORDER OF THE COMMISSION

1. **Hearing Date and Place:** 8:30 a.m., the 7th day of February, 2017, Jim Thorpe Building, Oklahoma City, Oklahoma.
2. **Appearances:** Charles L. Helm, Attorney, appeared for the Applicant, White Star Petroleum, LLC, and White Star Petroleum Operating, Inc.; and Mike Stack, Attorney, appeared for Special Energy and Special Exploration Co., Inc.
3. **Notice and Jurisdiction:** Notice has been given as required and the Commission has jurisdiction of the subject and the persons. With regard to each respondent, if any, whose address is listed as unknown in the Application on file in this Cause, or whose address is listed as known in such Application, but on whom the Applicant was unable to deliver notice because such address is apparently no longer valid, the Administrative Law Judge conducted an inquiry and determined that the Applicant has made a diligent effort to locate the whereabouts of such respondent using available primary and secondary sources, and service by publication with regard to such respondent has been duly and legally made in the Commission, after examining the records and proof of publication, approves the process.
4. **Amendments:** None.
5. **Relief Requested:** Applicant requests the Commission issue an Order modifying Order No. 657034 to provide for restrictions on perforations or fracture stimulation on any horizontal Mississippian lateral placed within 450 feet from the Vera #1 and/or the Schneider #1-34 Wells located in the NE/4 of Section 34, Township 18 North, Range 1 East, Payne County, Oklahoma. In addition, the Order should be modified to provide notice requirements prior to fracturing operations on any horizontal well drilled within 750 feet of the Vera #1 and/or the Schneider #1-34 Wells located in the NE/4 of Section 34, Township 18 North, Range 1 East, Payne County, Oklahoma.
6. **Relief Granted:** The requested relief is granted. Order No. 657034 is hereby amended to provide the following:
 - a. For any horizontal Mississippian lateral placed within 450 feet from the Vera #1 and/or the Schneider #1-34 (the "Special Wells") in the NE/4 of Section 34-18N-1E, the completion interval will be restricted with no perforations or fracture stimulation over a 300-foot interval

perpendicular to the Special Wells. The 300-foot interval will be 150 feet North and 150 feet South of a perpendicular line to the Special Wells. This restriction shall not apply to any lateral over 450 feet away from the Special Wells.

- b. Operator will notify Special at least ten (10) business days prior to its intended frac date. Prior to fracturing operations on any horizontal well drilled by Operator within 750 feet from the Special Wells, the Operator will install pressure gauges on the Special Wells, provided the Operator of the Special Wells will authorize the installation. The Operator will provide a field representative at the Special Wells location during fracturing operations of any horizontal well drilled by Operator within 750 feet from the Special Wells, provided the Operator of the Special Wells will authorize the presence of a field representative. If the field representative of the Operator observes an increase in pressure at the Special Wells during fracture stimulation, the Operator will stop pumping on the stage and move to the next frac stage.
- 7. Reason for Relief: Applicant's evidence shows that Special Energy operates the wells described in Paragraph 6 above. The wells produce from the Bartlesville. The restrictions on perforations or fracture stimulation and the notice requirements will help protect the production in the existing non-horizontal wells described in Paragraph 6.
- 8. Conclusion: The relief requested is necessary to prevent or to assist in preventing the various types of waste of oil or gas prohibited by statute, or any of said wastes, and to protect or assist in protecting the correlative rights of interested parties. Such requested relief, as set forth above, should be granted and IT IS SO ORDERED.

DONE AND PERFORMED this 3 day of April, 2017.

CORPORATION COMMISSION OF OKLAHOMA

Dana L. Murphy
DANA L. MURPHY, Chairman

J. Todd Hiatt
J. TODD HIETT, Vice Chairman

Bob Anthony
BOB ANTHONY, Commissioner

ATTEST:

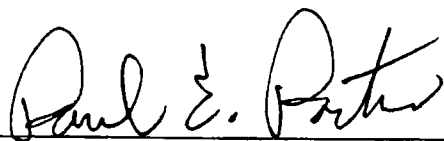
Joyce Conner
~~PEGGY MITCHELL, Commission Secretary~~

JOYCE CONNER, Assistant Secretary

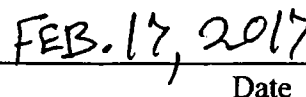
APPLICANT: WHITE STAR PETROLEUM, LLC AND
WHITE STAR PETROLEUM OPERATING, INC.
CAUSE CD NO.: 201700145
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REPORT OF THE ADMINISTRATIVE LAW JUDGE

THE FOREGOING FINDINGS AND ORDER ARE THE REPORT AND RECOMMENDATIONS OF
THE ADMINISTRATIVE LAW JUDGE.



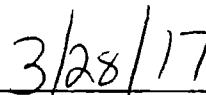
PAUL PORTER, Administrative Law Judge



Date



Reviewer



Date

Approved as to form and content:

