

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

API NUMBER: 047 25094

Approval Date: 04/25/2017
Expiration Date: 10/25/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 24N Rge: 5W County: GARFIELD
SPOT LOCATION: SW NW SE NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 825 1485

Lease Name: VENCL Well No: 3-26 Well will be 165 feet from nearest unit or lease boundary.
Operator Name: ARROWHEAD ENERGY INC Telephone: 4058485777 OTC/OCC Number: 10239 0

ARROWHEAD ENERGY INC
2934 NW 156TH ST
EDMOND, OK 73013-2102

VENCL REVOCABLE TRUST
19816 EAST CENTENNIAL ROAD
GARBER OK 73738

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

Name	Depth	Name	Depth
1 WILCOX	6250	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 19913

Location Exception Orders: 662746

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 6350

Ground Elevation: 1099

Surface Casing: 350

Depth to base of Treatable Water-Bearing FM: 300

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 8000 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 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: FAIRMONT

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 17-32172

Notes:

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.

047 25094 VENCL 3-26

Category	Description
HYDRAULIC FRACTURING	4/17/2017 - 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
LOCATION EXCEPTION - 662746	4/25/2017 - G64 - (I.O.) SE4 NE4 26-24N-5W X19913 WLCX 495' FNL, 165' FWL NO OP. NAMED 4-12-2017
SPACING - 19913	4/25/2017 - G64 - (40) 26-24N-5W EST WLCX

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