

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

API NUMBER: 017 25032

Approval Date: 07/05/2017
Expiration Date: 01/05/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 12N Rge: 8W

County: CANADIAN

SPOT LOCATION: SE NE NE NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 510 245

Lease Name: CANNONBALL 1208

Well No: 24-2MH

Well will be 245 feet from nearest unit or lease boundary.

Operator Name: 89 ENERGY LLC

Telephone: 4056006040

OTC/OCC Number: 23897 0

89 ENERGY LLC
105 N HUDSON AVE STE 650
OKLAHOMA CITY, OK 73102-4832

MIKE SCHLECHT
3904 REFORMATORY ROAD
EL RENO OK 73036

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	10360	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 664339

Location Exception Orders: 664914

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 15750

Ground Elevation: 1435

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 390

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: 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

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

PERMIT NO: 17-32788

H. SEE MEMO

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.

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 24 Twp 12N Rge 8W County CANADIAN

Spot Location of End Point: NE NW NE NE

Feet From: NORTH 1/4 Section Line: 100

Feet From: EAST 1/4 Section Line: 730

Depth of Deviation: 9785

Radius of Turn: 611

Direction: 357

Total Length: 5005

Measured Total Depth: 15750

True Vertical Depth: 10360

End Point Location from Lease,
Unit, or Property Line: 100

Additional Surface Owner	Address	City, State, Zip
MARY C BOUSE	14112 RHONDA LANE	EDMOND, OK 73013
JO ANN HUGGINS	125 OAKTREE DRIVE	MIDWEST CITY, OK 73130

Notes:

Category	Description
DEEP SURFACE CASING	6/26/2017 - 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	6/26/2017 - 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 - 664914	7/5/2017 - G60 - (I.O.) 24-12N-8W X664339 MSSP SHL NCT 200' FNL, NCT 400' FEL COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FEL 89 ENERGY, LLC. 6/15/17
MEMO	6/26/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 664339	7/5/2017 - G60 - (640)(HOR) 24-12N-8W EST MSSP, OTHER COMPL. INT. NLT 660' FB (COEXIST WITH SP. ORDER 158600 MISS AND SP. ORDER 166108 CSTR)

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

017 25032 CANNONBALL 1208 24-2MH

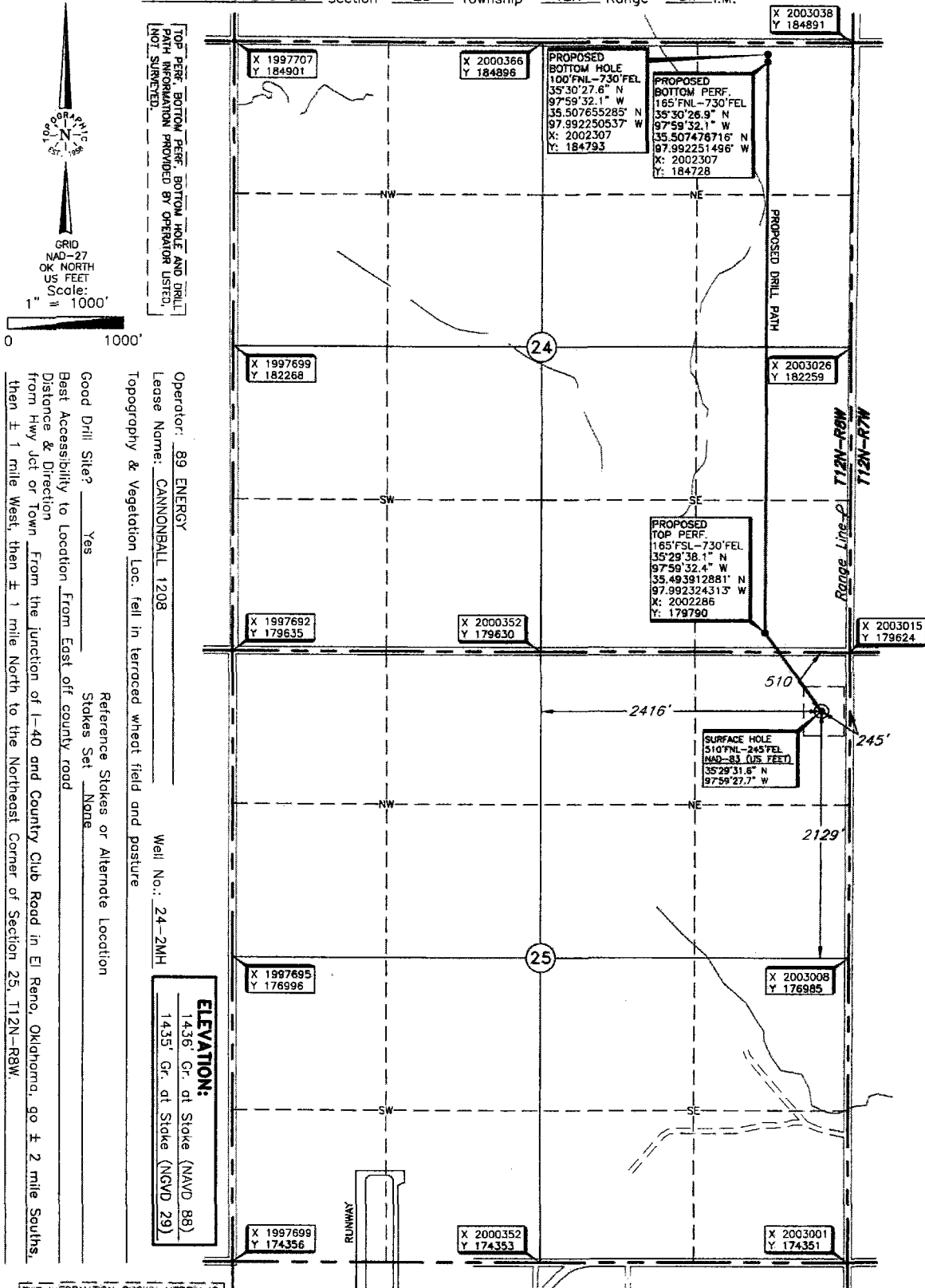
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3501725032

CANADIAN County, Oklahoma

510'FNL-245'FEL Section 25 Township 12N Range 8W I.M.



TOP PERF. BOTTOM PERF. BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR (NOT SURVEYED).

GRID
NAD-27
OK NORTH
US FEET
Scale:
1" = 1000'

Operator: 89 ENERGY
Lease Name: CANNONBALL 1208
Topography & Vegetation Loc. fell in terraced wheat field and pasture

Well No.: 24-2MH

ELEVATION:
1436' Cr. at Stake (NAVD 88)
1435' Cr. at Stake (NGVD 29)

Good Drill Site? Yes No
Best Accessibility to Location From East off county road
Distance & Direction From Hwy Jct or Town From the Junction of I-40 and County Club Road in El Reno, Oklahoma, go ± 2 mile Souths, then ± 1 mile West, then ± 1 mile North to the Northeast Corner of Section 25, T12N-R8W.

Reference Stakes or Alternate Location
Stakes Set Name

THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY

DATUM: NAD-27
LAT: 35°29'31.4" N
LONG: 97°59'26.5" W
LAT: 35.492055590° N
LONG: 97.990702218° W
STATE PLANE COORDINATES (US FEET):
ZONE: OK NORTH
X: 2002769
Y: 179114

Date of Drawing: June 2, 2017
Invoice # 275703 Date Staked: May 1, 2017 NMB

CERTIFICATE:
I, Thomas L. Howell, an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.

Thomas L. Howell
Oklahoma Lic. No. 1433

