API NUMBER: 137 27502

Horizontal Hole Oil & Gas

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

Approval Date: 08/10/2017
Expiration Date: 02/10/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 2N Rge: 4W County: STEPHENS

SPOT LOCATION: SW SW SE SW

FEET FROM QUARTER: FROM **SOUTH** FROM **WEST**

SECTION LINES: **250** **1455**

Lease Name: CELESTA **Well No: 4R-5-32XH** **Well will be 250 feet from nearest unit or lease boundary.**

Operator Name: CONTINENTAL RESOURCES INC Telephone: 4052349020; 4052349 OTC/OCC Number: 3186 0

CONTINENTAL RESOURCES INC
PO BOX 269000
OKLAHOMA CITY, OK 73126-9000

JERRY L. CONDIT LIVING TRUST
302864 STATE HWY #29
FOSTER OK 73434

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

	Name	Depth		Name	Depth
1	SPRINGER	11873	6		
2			7		
3			8		
4			9		
5			10		

Spacing Orders: 131585

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201703448
201703450
201703445
201703447

Special Orders:

Total Depth: 23873 Ground Elevation: 1179 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 330

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: 3000 Average: 2000

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: CHICKASHA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-32719

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: ON SITE

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 200000

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: 3

Liner required for Category: 3

Pit Location is NON HSA

Pit Location Formation: CHICKASHA

HORIZONTAL HOLE 1

Sec 32 Twp 3N Rge 4W County GARVIN

Spot Location of End Point: N2 N2 NE NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 1980

Depth of Deviation: 13230

Radius of Turn: 409

Direction: 1

Total Length: 10000

Measured Total Depth: 23873

True Vertical Depth: 13639

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category	Description
DEEP SURFACE CASING	8/10/2017 - 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	8/9/2017 - G58 - OCC 165:10-3-10 REQUIRES: 1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE; 2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: HTTP://WWW.OCCEWEB.COM/OG/OGFORMS.HTML; AND, 3)THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/
MEMO	8/10/2017 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 1 – CUTTINGS WILL BE SOIL FARMED, PIT 2 – OBM RETURNED TO VENDOR, CUTTINGS WILL BE HAULED TO PAULS VALLEY LANDFILL (GARVIN) 3525009 OR SOUTHERN PLAINS LANDFILL (GRADY) 3526013
PENDING CD - 201703445	8/10/2017 - G60 - 5-2N-4W X131585 SPRG 4 WELLS NO OP. NAMED REC. 6/19/17 (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.

Category	Description
PENDING CD - 201703447	8/10/2017 - G60 - 2-3N-4W X131585 SPRG 4 WELLS NO OP. NAMED REC. 6/19/17 (M. PORTER)
PENDING CD - 201703448	8/10/2017 - G60 - (E.O.) 5-2N-4W & 32-3N-4W EST MULTIUNIT HORIZONTAL WELL X131585 SPRG 50% 32-3N-4W 50% 5-2N-4W NO OP. NAMED REC. 6/9/17 (LEAVITT)
PENDING CD - 201703450	8/10/2017 - G60 - (I.O.) 5-2N-4W & 32-3N-4W X131585 SPRG X165:10-3-28(C)(2)(B) CELESTA 4-5-32XH MAY BE CLOSER THAN 600' TO ANOTHER WELL SHL S2 (5-2N-4W) COMPL. INT. (5-2N-4W) NCT 150' FSL, NCT 0' FNL, NCT 440' FWL COMPL. INT. (32-3N-4W) NCT 0' FSL, NCT 150' FNL, NCT 440' FWL CONTINENTAL RESOURCES, INC. REC. 6/19/17 (M. PORTER)
SPACING - 131585	8/10/2017 - G60 - (640) 5-2N-4W & 32-3N-4W EST SPRG, OTHERS

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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.