

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

API NUMBER: 043 23546

Approval Date: 08/16/2017
Expiration Date: 02/16/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 08 Twp: 19N Rge: 17W County: DEWEY
SPOT LOCATION: S2 N2 N2 NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 335 1320

Lease Name: PAULA 5/32-20-17 Well No: 1H Well will be 335 feet from nearest unit or lease boundary.
Operator Name: TAPSTONE ENERGY LLC Telephone: 4057021600 OTC/OCC Number: 23467 0

TAPSTONE ENERGY LLC
100 E MAIN ST
OKLAHOMA CITY, OK 73104-2509

PAULA HOWARD & DOYLE HOWARD
P.O. BOX 852
SEILING OK 73663

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN (LESS UPPER CHESTER)	9070	6	
2 MISSISSIPPI LIME	10600	7	
3		8	
4		9	
5		10	

Spacing Orders: 646393
534131

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201703904
201703902
201703903

Special Orders:

Total Depth: 20950 Ground Elevation: 1881 Surface Casing: 280 Depth to base of Treatable Water-Bearing FM: 130

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 BASE

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 17-32744

H. SEE MEMO

Cancelled 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.

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

HORIZONTAL HOLE 1

Sec 32 Twp 20N Rge 17W County WOODWARD

Spot Location of End Point: N2 N2 NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 9956

Radius of Turn: 477

Direction: 5

Total Length: 10245

Measured Total Depth: 20950

True Vertical Depth: 10600

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

Notes:

Category

Description

HYDRAULIC FRACTURING

8/3/2017 - 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: OCC.WEB.COM/OG/OGFORMS.PHTML; 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: FRACFOCUS.ORG

INTERMEDIATE CASING

8/3/2017 - G58 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES

MEMO

8/3/2017 - G58 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201703902

8/14/2017 - G75 - 5-19N-17W
X646393 MSLUC
1 WELL
NO OP. NAMED
REC 7-10-2017 (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 - 201703903	8/14/2017 - G75 - (I.O.) 5-19N-17W & 32-20N-17W EST MULTIUNIT HORIZONTAL WELL X646393 MSLUC 5-19N-17W X534131 MSSLM 32-20N-17W 50% 5-19N-17W 50% 32-20N-17W TAPSTONE ENERGY, LLC REC 7-10-2017 (M. PORTER)
PENDING CD - 201703904	8/14/2017 - G75 - (I.O.) 5-19N-17W & 32-20N-17W X646393 MSLUC 5-19N-17W X534131 MSSLM 32-20N-17W COMPL. INT. (5-19N-17W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (32-20N-17W) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL NO OP. NAMED REC 7-10-2017 (M. PORTER)
SPACING - 534131	8/14/2017 - G75 - (640) 32-20N-17W EXT OTHERS EST MSSLM
SPACING - 646393	8/14/2017 - G75 - (640) 5-19N-17W VAC 85657 MCSTR EST (VER) OTHER EST (HOR) MSLUC COMPL. INT. NLT 660' FB

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Office of the Conservation Division as to when Surface Casing will be run.

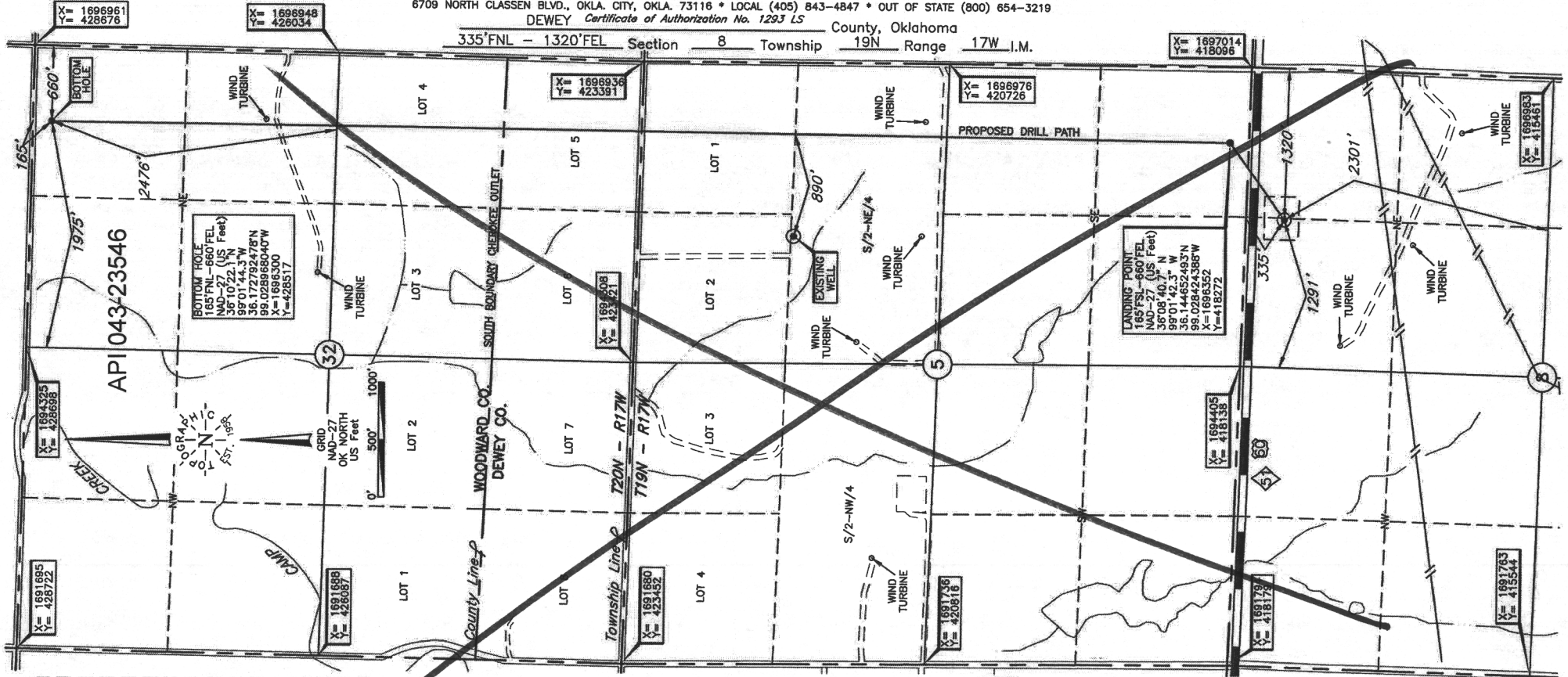
TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219

DEWEY Certificate of Authorization No. 1293 LS

County, Oklahoma

335' FNL - 1320' FEL Section 8 Township 19N Range 17W J.M.



LANDING POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

ELEVATION:
1881' Gr. at Stake

NOTE:
The information shown herein is for construction purposes ONLY.

Operator: TAPSTONE ENERGY
 Lease Name: PAULA 5/32-20-17 Well No.: 1H
 Topography & Vegetation Loc. fell in sloped terraced pasture, ±190' South of fence, NE of pipeline
 Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None
 Best Accessibility to Location From North off county road
 Distance & Direction from Hwy Jct or Town From Jct. US Hwy. 270 and US Hwy. 60/ St. Hwy. 51 in Seiling, OK, go ±5.7 mi. West on US Hwy. 60/St. Hwy. 51 to the NE Cor. of Sec. 8-T19N-R17W

DATUM: NAD-27
 LAT: 36°08'35.8"N
 LONG: 99°01'50.3"W
 LAT: 36.143289607° N
 LONG: 99.030642393° W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1695692
 Y: 417783

This information was gathered with a GPS receiver with ±1 foot horiz./vert. accuracy

Revision A Date of Drawing: Mar. 28, 2017
 Invoice # 269886 Date Staked: Mar. 20, 2017 AC

CERTIFICATE:
 I, Lee K. Goss an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.
 Oklahoma Lic. No. 1778

