API NUMBER: 011 23849

Straight Hole Stratigraphic Test

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

Approval Date: 08/29/2017
Expiration Date: 02/28/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 19 Twp: 14N Rge: 12W County: BLAINE

SPOT LOCATION: NW NW NW NW FEET FROM QUARTER: FROM **NORTH** FROM **WEST**
SECTION LINES: **270** **225**

Lease Name: BELTBUSTER 19-14N-12W **Well No: 1H** **Well will be 225 feet from nearest unit or lease boundary.**

Operator Name: **PALOMA OPERATING CO INC** Telephone: 7136508509 OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC
1100 LOUISIANA ST STE 5100
HOUSTON, TX 77002-5220

BRADLEY ADAM NITZEL
11132 DARLINGTON RD NW
CALUMET OK 73014

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

	Name	Depth		Name	Depth
1	MISSISSIPPIAN	13300	6		
2			7		
3			8		
4			9		
5			10		

Spacing Orders: No Spacing
Location Exception Orders:
Increased Density Orders:

Pending CD Numbers:
Special Orders:

Total Depth: 13900 Ground Elevation: 1632 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 200

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits
Type of Mud System: WATER BASED
Chlorides Max: 15000 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: 17-33019
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: 90000 Average: 40000

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

Notes:

Category	Description
DEEP SURFACE CASING	8/16/2017 - G58 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
INTERMEDIATE CASING	8/15/2017 - 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	8/15/2017 - G58 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING	8/29/2017 - G64 - N/A - STRATIGRAPHIC TEST

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.

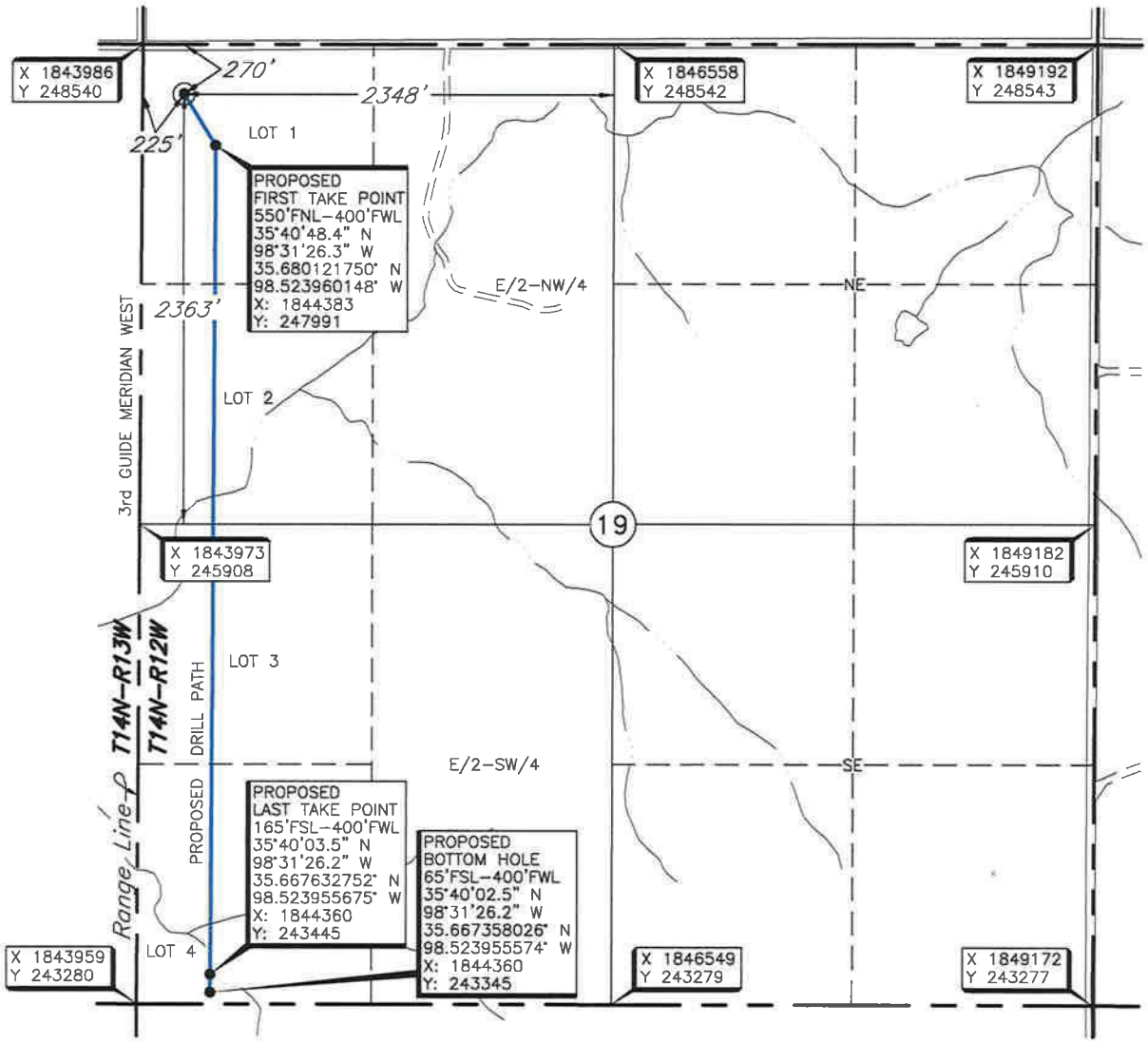
TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
Certificate of Authorization No. 1293 LS

3501123849

BLAINE County, Oklahoma

270'FNL-225'FWL Section 19 Township 14N Range 12W I.M.



FIRST TAKE POINT, LAST TAKE POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY

Operator: PALOMA OPERATING COMPANY, INC.

Lease Name: BELTBUSTER 19-14N-12W Well No.: 1H

ELEVATION: 1632' Gr. at Stake

Topography & Vegetation Loc. fell in sloping pasture.

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 US Hwy 281/US Hwy 270/St. Hwy 8 near Geary, Oklahoma, go ± 1 mile North on US Hwy 281/US Hwy 270/St. Hwy 8, then ± 10.2 miles West, ± 2 miles North, then ± 1 mile West to the Northwest Corner of Section 19, T14N-R12W.

This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy.

DATUM: NAD-27
LAT: 35°40'51.2" N
LONG: 98°31'28.4" W
LAT: 35.680888200° N
LONG: 98.524549761° W

STATE PLANE COORDINATES (US FEET):
ZONE: OK NORTH
X: 1844210
Y: 248271

Date of Drawing: June 12, 2017
Invoice # 277082 Date Staked: June 12, 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 Reg. No. 1433

LICENSED PROFESSIONAL LAND SURVEYOR
THOMAS L. HOWELL
1433
6-12-17
OKLAHOMA