

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

API NUMBER: 045 23691

Approval Date: 09/15/2017
Expiration Date: 03/15/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 18N Rge: 22W County: ELLIS
SPOT LOCATION: SW SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 150 2400

Lease Name: DAVISON Well No: 1H-30 Well will be 150 feet from nearest unit or lease boundary.
Operator Name: VALPOINT OPERATING LLC Telephone: 8063764675 OTC/OCC Number: 23241 0

VALPOINT OPERATING LLC
600 S TYLER ST STE 1701
AMARILLO, TX 79101-2353

CHARLES AND SHERRY NICHOLS
185928 EAST COUNTY ROAD
ARNETT OK 73832

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

Name	Depth	Name	Depth
1 OSWEGO	9530	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 141054

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201705652
201705651

Special Orders:

Total Depth: 14162

Ground Elevation: 2072

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 560

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 located in a Hydrologically Sensitive Area.

Category of Pit: 1B

Liner required for Category: 1B

Pit Location is BED AQUIFER

Pit Location Formation: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 17-33124

H. MIN. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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.

HORIZONTAL HOLE 1

Sec 30 Twp 18N Rge 22W County ELLIS

Spot Location of End Point: NW NW NW NE

Feet From: NORTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 2400

Depth of Deviation: 9050

Radius of Turn: 574

Direction: 360

Total Length: 4211

Measured Total Depth: 14162

True Vertical Depth: 9530

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category	Description
DEEP SURFACE CASING	9/13/2017 - 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	9/13/2017 - G71 - 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: 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: FRACFOCUS.ORG
PENDING CD - 201705651	9/15/2017 - G60 - 30-18N-22W X141054 OSWG 1 WELL NO OP. NAMED HEARING 9/19/17
PENDING CD - 201705652	9/15/2017 - G60 - (I.O.) 30-18N-22W X141054 OSWG COMPL. INT. NCT 330' FNL, NCT 330' FEL, NCT 1320' FWL NO OP. NAMED REC. 8/29/17 (P. PORTER)
SPACING - 141054	9/15/2017 - G60 - (640) 30-18N-22W EXT OTHERS EXT 87013/136879 OSWG

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