

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

API NUMBER: 015 23284

Approval Date: 09/20/2017
Expiration Date: 03/20/2018

Straight Hole Stratigraphic Test

PERMIT TO DRILL

WELL LOCATION: Sec: 35 Twp: 8N Rge: 11W County: CADDO
SPOT LOCATION: NE NW NE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 2484 732

Lease Name: GHOST Well No: 8-11-35-1M Well will be 732 feet from nearest unit or lease boundary.
Operator Name: POBLANO ENERGY LLC Telephone: 3077637752 OTC/OCC Number: 24081 0

POBLANO ENERGY LLC
5773 WOODWAY DR STE 211
HOUSTON, TX 77057-1501

W.M ROGERS AND PATRICIA SCOTT
31189 COUNTY STREET 2620
ANADARKO OK 73005

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

Name	Depth	Name	Depth
1 HOXBAR	8266	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: 11750 Ground Elevation: 1349 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 250

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

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: 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

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-33179
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: 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

Notes:

Category	Description
DEEP SURFACE CASING	9/18/2017 - 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
MEMO	9/18/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING	9/20/2017 - 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.