

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

API NUMBER: 043 23510 A

Approval Date: 04/07/2017
Expiration Date: 10/07/2017

Horizontal Hole Oil & Gas

Amend reason: CHANGE SURFACE LOCATION & GROUND ELEVATION

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 17N Rge: 16W

County: DEWEY

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 200 330

Lease Name: BAR NONE

Well No: 1-1H

Well will be 200 feet from nearest unit or lease boundary.

Operator Name: CARRERA ENERGY LLC

Telephone: 4326956970

OTC/OCC Number: 23514 0

CARRERA ENERGY LLC
PO BOX 5036
MIDLAND, TX 79704-5036

MITCHEL AARON HALLREN
P.O. BOX 428
FAIRVIEW OK 73737

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

	Name	Depth	Name	Depth
1	CHESTER LIME	10200	6	
2	MERAMEC	10830	7	
3	WOODFORD	11970	8	
4			9	
5			10	

Spacing Orders: 659694
113812

Location Exception Orders: 660603

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 16709

Ground Elevation: 1663

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: No

PIT 1 INFORMATION

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-32360
- H. CLOSED SYSTEM=STEEL PITS (REQUIRED - CANADIAN RIVER)

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 01 Twp 17N Rge 16W County DEWEY

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: 11527

Radius of Turn: 573

Direction: 355

Total Length: 4282

Measured Total Depth: 16709

True Vertical Depth: 12005

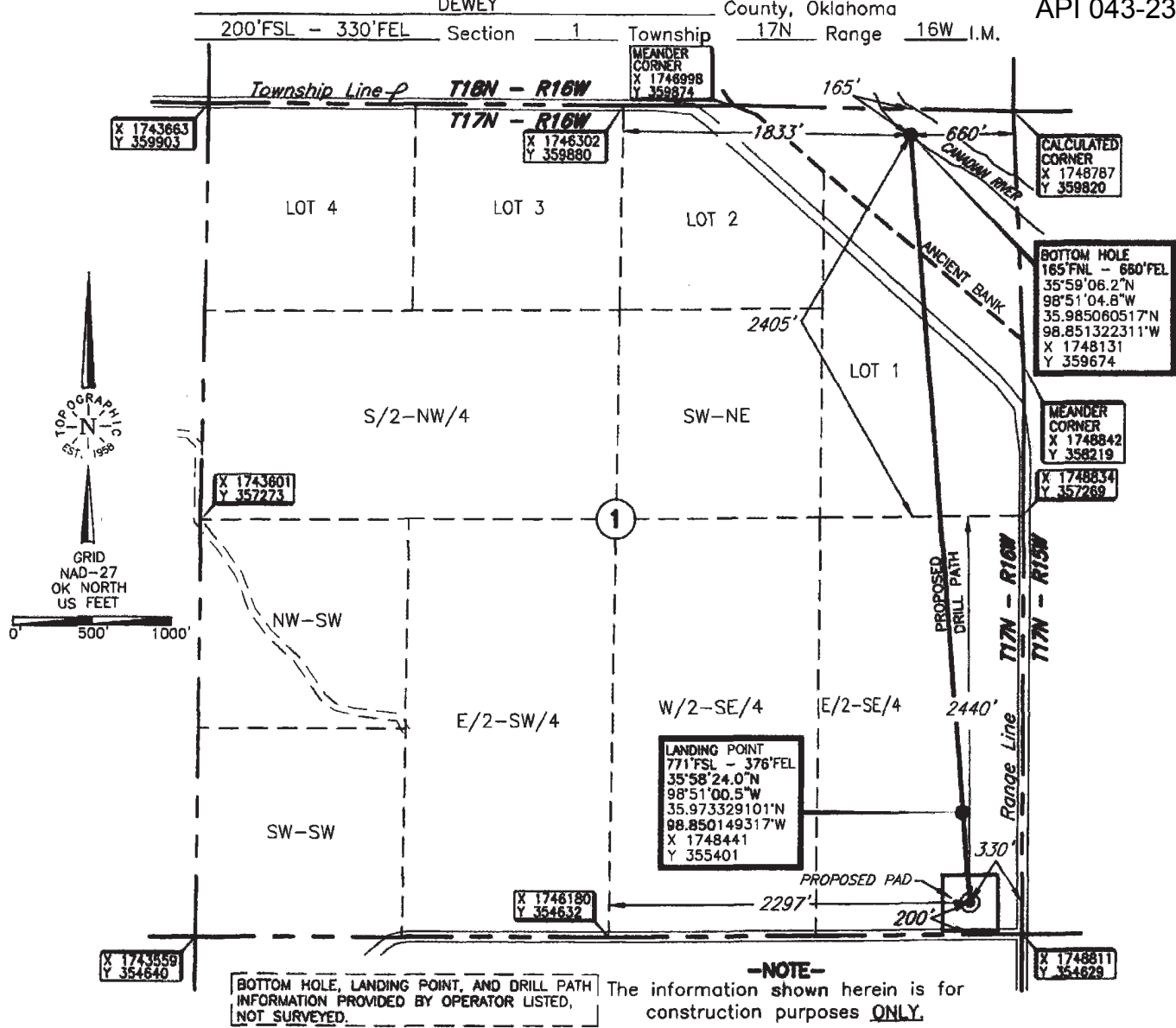
End Point Location from Lease,
Unit, or Property Line: 165

Additional Surface Owner	Address	City, State, Zip
MARTIN TIMOTHY HALLREN	1 RUSTIC HILLS STREET	NORMAN, OK 73072

Notes:

Category	Description
DEEP SURFACE CASING	4/4/2017 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	4/4/2017 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE
INTERMEDIATE CASING	4/4/2017 - G71 - 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
LOCATION EXCEPTION - 660603	4/6/2017 - G75 - (I.O.) 1-17N-16W X113812 CRLM, MRMC X659694 WDFD COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FEL CARRERA ENERGY, LLC 2-3-2017
SPACING - 113812	4/6/2017 - G75 - (640) 1-17N-16W EXT OTHER EXT 65512/102678 CRLM, OTHERS EST MRMC, OTHER
SPACING - 659694	4/6/2017 - G75 - (640) 1-17N-16W EXT 593900 WDFD

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Operator: CARRERA ENERGY, LLC **ELEVATION:**
166.3' Gr. at Stake

Lease Name: BAR NONE Well No.: 1-1H

Topography & Vegetation Location fell in terraced wheat field.

Good Drill Site? Yes Reference Stakes or Alternate Location
 Stakes Set None

Best Accessibility to Location From South off county road

Distance & Direction From Talaga, Ok., go ±0.6 mile South on U.S. Hwy. 183, go ±2.5 miles East, then ±3.25 miles South, then ±4 miles East, then ±1 mile South to the SE corner of Section 1, T17N - R16W

DATUM: NAD-27
 LAT: 35°58'18.3"N
 LONG: 98°51'00.0"W
 LAT: 35.971760138°N
 LONG: 98.849992467°W
 STATE PLANE
 COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1748482
 Y: 354830

Date of Drawing: June 13, 2017 JGW
 Invoice # 277521 Date Staked: January 3, 2017 RKM

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

[Signature]
 Oklahoma Lic. No. 1778



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