

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

API NUMBER: 073 25876

Approval Date: 01/02/2018
Expiration Date: 07/02/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 36 Twp: 16N Rge: 8W County: KINGFISHER
SPOT LOCATION: SW SE SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 240 2210

Lease Name: STEVEO BIA Well No: 5H-3625X Well will be 240 feet from nearest unit or lease boundary.
Operator Name: CIMAREX ENERGY CO Telephone: 9185851100 OTC/OCC Number: 21194 0

CIMAREX ENERGY CO
202 S CHEYENNE AVE STE 1000
TULSA, OK 74103-3001

WILLIAM MARK MCCULLY
11457 E. 830 ROAD
KINGFISHER OK 73750

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

Name	Depth	Name	Depth
1 MISSISSIPPI SOLID	9300	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 256313
264755

Location Exception Orders:

Increased Density Orders: 671532
671383

Pending CD Numbers: 201705673
201705678

Special Orders:

Total Depth: 18343 Ground Elevation: 1099 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 280

Under Federal Jurisdiction: Yes

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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: 10000 Average: 3000

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: CEDAR HILL

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-32831
H. CLOSED SYSTEM=STEEL PITS 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.

HORIZONTAL HOLE 1

Sec 25 Twp 16N Rge 8W County KINGFISHER

Spot Location of End Point: N2 NW NW NE

Feet From: NORTH 1/4 Section Line: 150

Feet From: EAST 1/4 Section Line: 2310

Depth of Deviation: 7992

Radius of Turn: 452

Direction: 10

Total Length: 9641

Measured Total Depth: 18343

True Vertical Depth: 9325

End Point Location from Lease,
Unit, or Property Line: 150

Notes:

Category

Description

DEEP SURFACE CASING

12/29/2017 - 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

HYDRAULIC FRACTURING

12/29/2017 - 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: 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

INCREASED DENSITY - 671383

12/29/2017 - G58 - 25-16N-8W
X264755 MSSSD
7 WELLS
CIMAREX ENERGY CO.
12/21/2017

INCREASED DENSITY - 671532

12/29/2017 - G58 - 36-16N-8W
X256313 MSSSD
7 WELLS
CIMAREX ENERGY CO.
12/28/2017

INTERMEDIATE CASING

12/29/2017 - 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

PENDING CD - 201705673

12/29/2017 - G58 - (I.O.) 25 & 36-16N-8W
X264755 MSSSD 25-16N-8W
X256313 MSSSD 36-16N-8W
COMPL. INT. (36-16N-8W) NCT 150 FSL, NCT 0 FNL, NCT 250 FEL
COMPL. INT. (25-16N-8W) NCT 0 FSL, NCT 150 FNL, NCT 250 FEL
NO OP. NAMED
REC 9/19/2017 (M. PORTER)

PENDING CD - 201705678

12/29/2017 - G58 - (I.O.) 25 & 36-16N-8W
EST MULTIUNIT HORIZONTAL WELL
X264755 MSSSD 25-16N-8W
X256313 MSSSD 36-16N-8W
50% 25-16N-8W
50% 36-16N-8W
NO OP. NAMED
REC 9/19/2017 (M. PORTER)

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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.

073 25876 STEVEO BIA 5H-3625X

Category	Description
SPACING – 256313	12/29/2017 - G58 - (640) 36-16N-8W EXT OTHERS EXT 94302/246203 MSSSD, OTHER
SPACING – 264755	12/29/2017 - G58 - (640) 25-16N-8W EXT 256313 MSSSD, OTHERS

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.



Well Location Plat

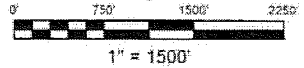
S.H.L. Sec. 36-16N-8W I.M.
B.H.L. Sec. 25-16N-8W I.M.

Operator : CIMAREX ENERGY COMPANY
Lease Name and No. : STEVEQ BIA 5H-3625X
Footage : 240' FSL - 2210' FWL Gr. Elevation : 1099'
Section : 36 Township : 16N Range : 8W I.M.
County : Kingfisher State of Oklahoma
Terrain at Loc. : Location fell in an open wheat field, 207' North of an existing E-W electric fence & 206' West of an existing N-S electric fence.

073-25876



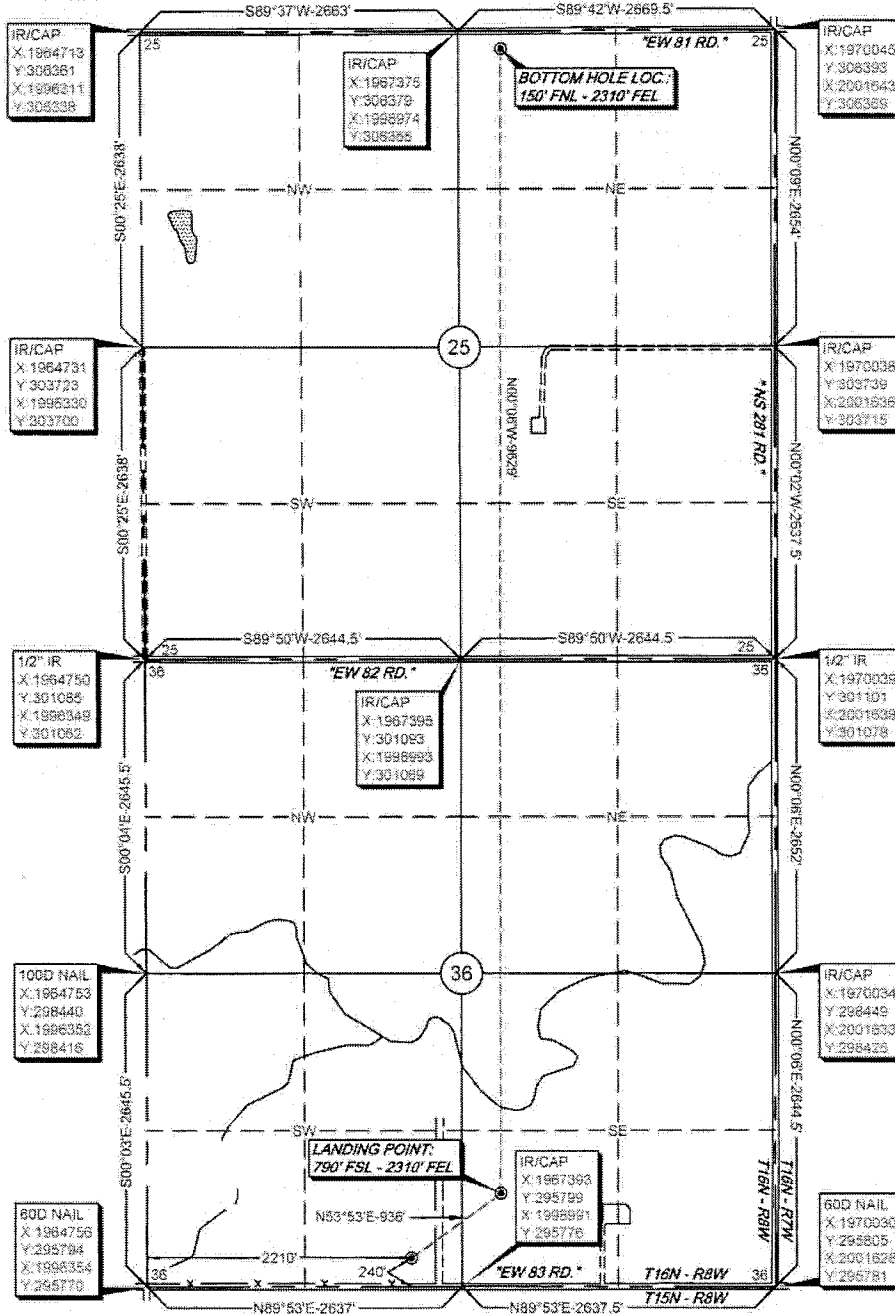
All bearings/angles are grid bearings



Accessibility : From the North
Directions : From the junction of U.S. Hwy 81 & State Hwy 33 in Kingfisher, OK, go 3.5 miles West on Hwy 33/3, go 3.0 miles South on "NS 281 Rd.", go 0.5 mile West on "EW 83 Rd." to the South 1/4 Corner of Section 36-16N-8W.

Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS

Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners or occupation thereto, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.
NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey



GPS DATUM
NAD 83
NAD 27
OK NORTH ZONE

Surface Hole Loc.:
Lat: 35.81325451
Lon: -98.00517559
X: 1966965
Y: 296039
Surface Hole Loc.:
Lat: 35.81321075
Lon: -98.00484324
X: 1998564
Y: 296015
Landing Point:
Lat: 35.81476981
Lon: -98.00262653
X: 1967721
Y: 296590
Landing Point:
Lat: 35.81472608
Lon: -98.00229425
X: 1999320
Y: 296566
Bottom Hole Loc.:
Lat: 35.84125425
Lon: -98.00258352
X: 1967734
Y: 306231
Bottom Hole Loc.:
Lat: 35.84121118
Lon: -98.00225069
X: 1999333
Y: 306207

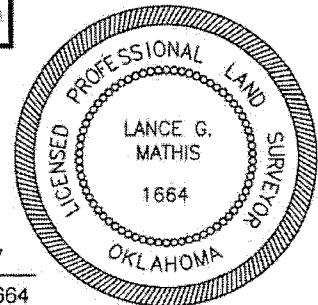
BASIS OF BEARING:
GRID NORTH - NAD 83
STATE PLANE - OK NORTH ZONE
BASIS OF ELEVATION:
OPUS SOLUTION

Survey and plat by:
Arkoma Surveying and Mapping, PLLC
P.O. Box 238 - Wilburton, OK 74578
Ph. 918-465-5711 - Fax 918-465-5030
Certificate of Authorization No. 5348
Expires June 30, 2018

Certification:
This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

Lance G. Mathis
LANCE G. MATHIS

12/21/17
OK LPLS 1664



Invoice #6927-D
Date Staked: 02/02/17 By: J.W.
Date Drawn: 02/06/17 By: K.M.
Rev. LP & BH: 12/19/17 By: C.K.