

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

API NUMBER: 011 23913

Approval Date: 01/02/2018

Expiration Date: 07/02/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 13 Twp: 19N Rge: 13W

County: BLAINE

SPOT LOCATION: SE SW SW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 205 550

Lease Name: GOAT LOCKER

Well No: 19-13-24 1H

Well will be 205 feet from nearest unit or lease boundary.

Operator Name: STAGHORN PETROLEUM II LLC

Telephone: 9185842558

OTC/OCC Number: 24056 0

STAGHORN PETROLEUM II LLC
1 W 3RD ST STE 1000
TULSA, OK 74103-3500

WENDELL FRENCH AND KEITH FRENCH
ROUTE 1 BOX 82
LONGDALE OK 73755

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	9059	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 669440

Location Exception Orders: 671209

Increased Density Orders:

Pending CD Numbers: 201706555

Special Orders:

Total Depth: 14430

Ground Elevation: 1636

Surface Casing: 400

Depth to base of Treatable Water-Bearing FM: 160

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? Y

Wellhead Protection Area? Y

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

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

PERMIT NO: 17-33635

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? Y

Wellhead Protection Area? Y

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

HORIZONTAL HOLE 1

Sec 24 Twp 19N Rge 13W County BLAINE

Spot Location of End Point: S2 SW SW SW

Feet From: SOUTH 1/4 Section Line: 135

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 8598

Radius of Turn: 558

Direction: 185

Total Length: 4956

Measured Total Depth: 14430

True Vertical Depth: 9122

End Point Location from Lease,
Unit, or Property Line: 135

Notes:

Category

Description

HYDRAULIC FRACTURING

12/20/2017 - 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

INTERMEDIATE CASING

12/20/2017 - 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 - 671209

1/2/2018 - G58 - (I.O.) 24-19N-13W
X669440 MSSP
COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FWL
STAGHORN PETROLEUM II, LLC
12/14/2017

MEMO

12/20/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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.

011 23913 GOAT LOCKER 19-13-24 1H

Category	Description
PENDING CD - 201706555	1/2/2018 - G58 - (I.O.) 24-19N-13W X165:10-3-28(C)(2)(B) MSSP (GOAT LOCKER 19-13-24 1H) MAY BE CLOSER THAN 600' TO OTT 24-2 WELL REC 10/30/2017 (MCKEOWN)
PUBLIC WATER SUPPLY WELLS	12/20/2017 - G71 - NORTH BLAINE WATER CORP - 1 PWS/WPA, S/2 14-19N-13W & LONGDALE - 2 PWS/WPA, S/2 14-19N-13W
SPACING - 669440	1/2/2018 - G58 - (640)(HOR) 24-19N-13W EST MSSP, OTHERS COMPL. INT. NLT 660' FB (COEXIST SP. ORDER 46580 UNCCR; SP. ORDER 188477 MNNG, MSSLM; SP. ORDER 196060 MNNG, MSSSD)

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

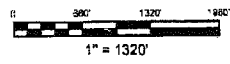
Operator: STAGHORN PETROLEUM, LLC
 Lease Name and No.: GOAT LOCKER 19-13-24 1H
 Footage: 205' FSL - 550' FWL GR. ELEVATION: 1636'
 Section: 13 Township: 19N Range: 13W I.M.
 County: Blaine State of Oklahoma
 Terrain at Loc.: Location fell in a pasture, north of fence.

S.H.L. Sec. 13-19N-13W I.M.
 B.H.L. Sec. 24-19N-13W I.M.

011-23913



All bearings shown are grid bearings.

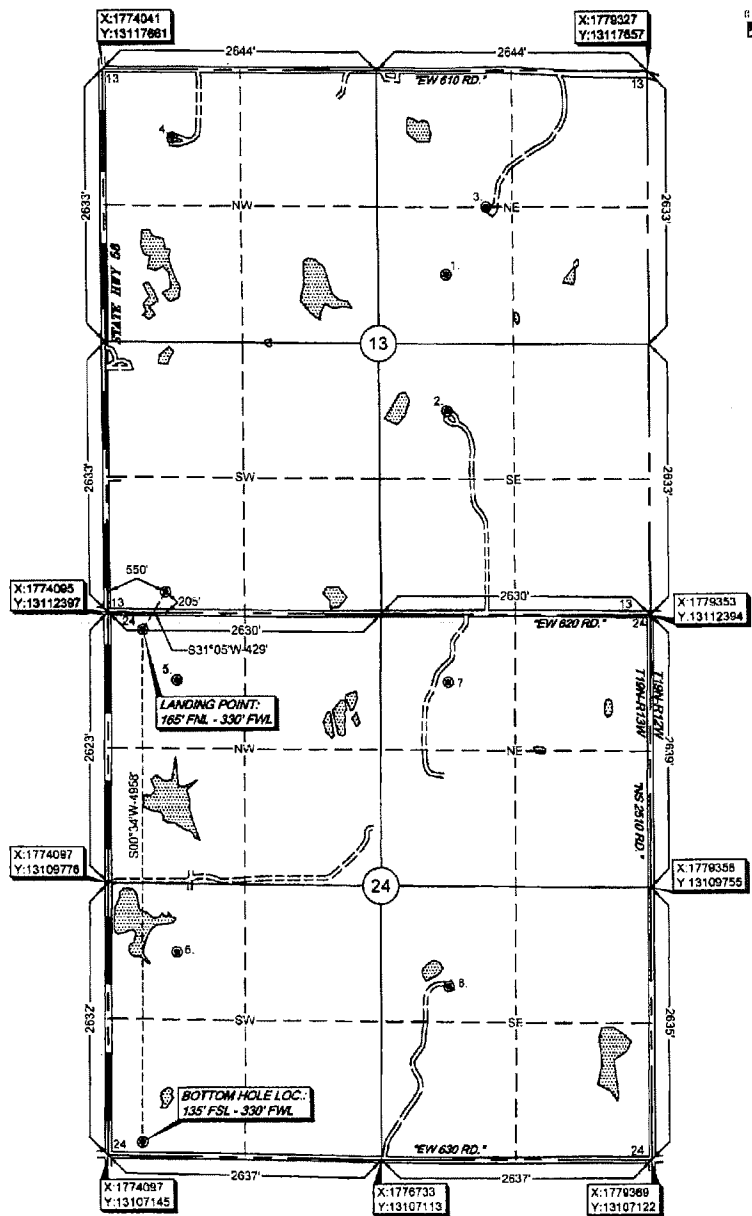


GPS DATUM
 NAD 83
 NAD 27
 UTM - ZONE 14

Surface Hole Loc.:
 Lat: 36°06'58.37"N
 Lon: 98°32'44.77"W
 Lat: 36.11617549
 Lon: -98.54540947
 X: 1774642
 Y: 13112602

Landing Point:
 Lat: 36°06'54.72"N
 Lon: 98°32'47.44"W
 Lat: 36.11516230
 Lon: -98.54615262
 X: 1774425
 Y: 13112232

Bottom Hole Loc.:
 Lat: 36°06'05.69"N
 Lon: 98°32'47.70"W
 Lat: 36.10154259
 Lon: -98.54622431
 X: 1774427
 Y: 13107276



Platman notes that the location was obtained from a GPS station located on the ground across the suspension bridge. The location was obtained from a GPS station located on the ground across the suspension bridge and is not intended to be used for any other purpose. If you are not satisfied with the location, you should contact the surveyor for more information. GPS data is obtained from RTK, GPS, or other methods. The location is based on the GPS data and is not intended to be used for any other purpose. The location is based on the GPS data and is not intended to be used for any other purpose. The location is based on the GPS data and is not intended to be used for any other purpose.

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

 Invoice #6934-C
 Date Staked: 12/06/17 By: C.K.
 Date Drawn: 12/07/17 By: P.B.

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 12/12/17
 OK LPLS 1664

