

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

API NUMBER: 051 24256

Approval Date: 01/18/2018

Expiration Date: 07/18/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 8N Rge: 5W

County: GRADY

SPOT LOCATION:  SE  SW  SE  SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 260 1960

Lease Name: YIPPI KI-YAY 0805

Well No: 21-16-1MH

Well will be 260 feet from nearest unit or lease boundary.

Operator Name: 89 ENERGY LLC

Telephone: 4056006040

OTC/OCC Number: 23897 0

89 ENERGY LLC  
105 N HUDSON AVE STE 650  
OKLAHOMA CITY, OK 73102-4832

JERRY PICKARD  
23618 STATE HIGHWAY 76  
BLANCHARD OK 73010

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	10675	6
2	WOODFORD	10785	7
3			8
4			9
5			10

Spacing Orders: 542582  
278507  
533421

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201708428  
201708427

Special Orders:

Total Depth: 21300

Ground Elevation: 1356

Surface Casing: 500

Depth to base of Treatable Water-Bearing FM: 420

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: 5000 Average: 3000

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 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: CHICKASHA

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 18-33689

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 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: CHICKASHA

HORIZONTAL HOLE 1

Sec 16 Twp 8N Rge 5W County GRADY

Spot Location of End Point: N2 N2 NE NW

Feet From: NORTH 1/4 Section Line: 100

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 10401

Radius of Turn: 382

Direction: 1

Total Length: 10298

Measured Total Depth: 21300

True Vertical Depth: 10785

End Point Location from Lease,  
Unit, or Property Line: 100

Additional Surface Owner	Address	City, State, Zip
TEDDY PICKARD	210 SOUTH BROADWAY	BLANCHARD, OK 73010

Notes:

Category

Description

FM. 1/8/2018 - G57 - ADDED WDFD 10785' TARGET FM.PER OPERATOR

HYDRAULIC FRACTURING

1/5/2018 - 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](http://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](http://FRACFOCUS.ORG)

MEMO

1/5/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

Category	Description
PENDING CD - 201708427	1/8/2018 - G57 - (E.O.) 21 & 16-8N-5W EST MULTIUNIT HORIZONTAL WELL X542582 MSSP, WDFD 21-8N-5W X278507 MSSP 16-8N-5W X533421 WDFD 16-8N-5W (MSSP ADJACENT COMMON SOURCE OF SUPPLY TO WDFD) 50% 21-8N-5W 50% 16-8N-5W 89 ENERGY, LLC. REC 12-20-2017 (THOMAS)
PENDING CD - 201708428	1/8/2018 - G57 - (E.O.) 21 & 16-8N-5W X542582 MSSP, WDFD 21-8N-5W X278507 MSSP 16-8N-5W X533421 WDFD 16-8N-5W SHL (21-8N-5W) 260' FSL, 1980' FWL ** COMPL. INT. (21-8N-5W) NCT 165' FSL, NCT 0' FNL, NCT 330' FWL COMPL. INT. (16-8N-5W) NCT 0'FNL, NCT 165' FSL, NCT 330' FWL 89 ENERGY, LLC. REC 12-20-2017 (THOMAS)  **S/B SHL (21-8N-5W) 260' FSL, 1960' FWL; WILL BE CORRECTED AT HEARING FOR FINAL ORDER PER ATTORNEY FOR OPERATOR
PUBLIC WATER SUPPLY WELL	1/5/2018 - G71 - MIDDLEBERG SCHOOL - 1 PWS/WPA, NW/4 21-8N-5W
SPACING - 278507	1/8/2018 - G57 - (640) 16-8N-5W EXT 163907 MSSP, OTHERS
SPACING - 533421	1/8/2018 - G57 - (640) 16-8N-5W EST OTHERS EXT 123624/257634 WDFD, OTHERS
SPACING - 542582	1/8/2018 - G57 - (640) 21-8N-5W VAC 285656 MSSP, OTHERS VAC 327537 WDFD, OTHERS EXT 278507 MSSP, OTHERS EXT 533421, WDFD, OTHERS EXT OTHERS

This permit does not address the right of entry or settlement of surface damages.  
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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.

**TOPOGRAPHIC LAND SURVEYS OF OKLAHOMA**

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 \* LOCAL (405) 843-4847 \* OUT OF STATE (800) 654-3219

Certificate of Authorization No. 1293 LS

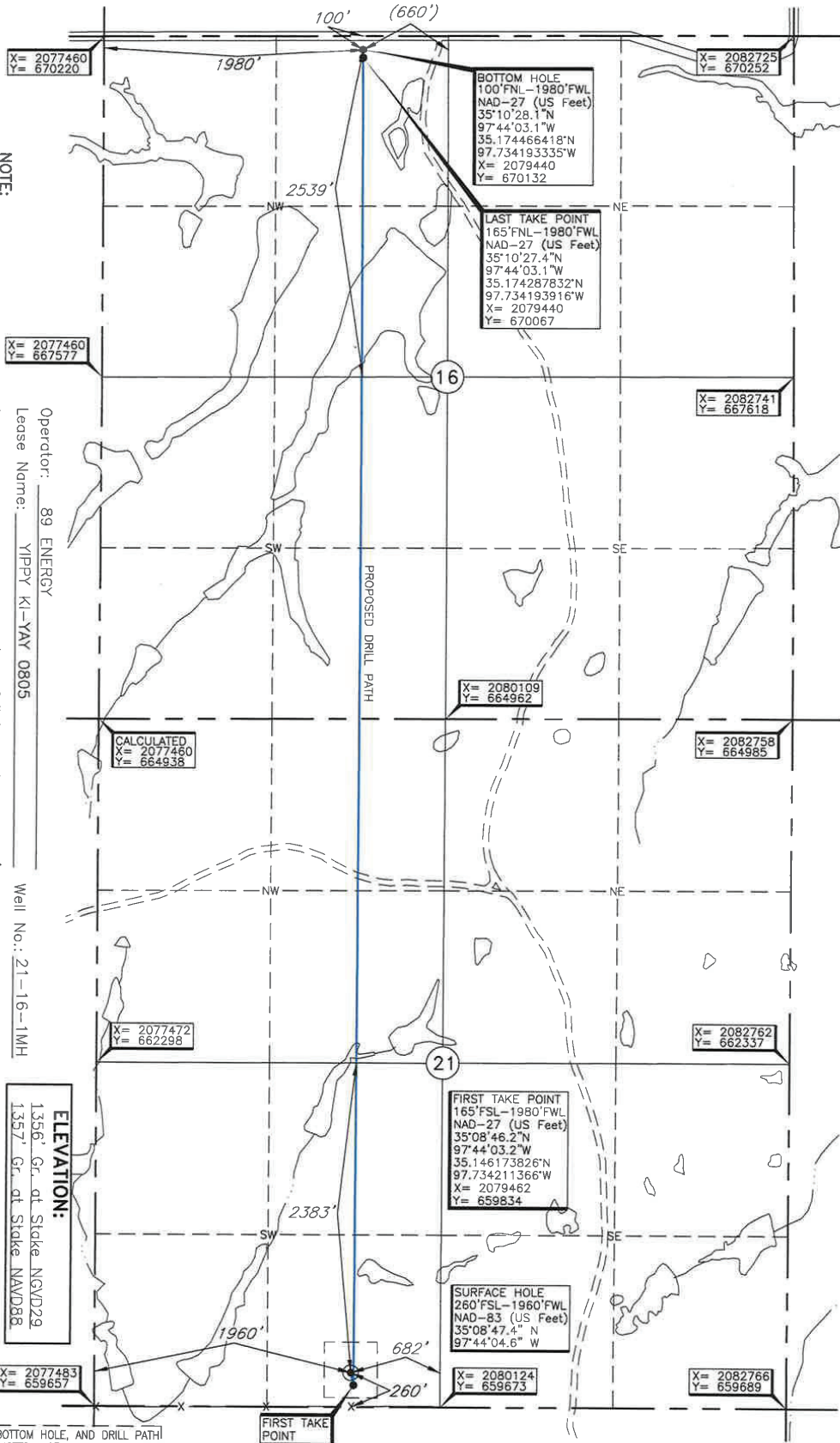
API: 051 24256

GRADY County, Oklahoma  
260'FSL-1960'FWL Section 21 Township 8N Range 5W I.M.

Distances shown in parentheses are calculated based upon the Quarter Section being 2640 feet, those shown in brackets are based on GLO (General Land Office) distances and have NOT been measured on the ground.



NOTE:  
The information shown herein is for construction purposes ONLY.



Operator: 89 ENERGY  
Lease Name: YIPPY KI-YAY 0805  
Topography & Vegetation: Loc. fell in pasture, ±256' North of E-W fence  
Well No.: 21-16-1MH  
ELEVATION: 1356' Gr. at Stake N6VD29, 1357' Gr. at Stake N6VD88  
Good Drill Site? Yes  
Reference Stakes or Alternate Location: Stakes Set None  
Best Accessibility to Location: From East of lease road at the SE Cor. of Sec. 28-T8N-R5W.  
Distance & Direction from Hwy Jct or Town: From Middleburg OK., go ±1.0 mi. NE on St. Hwy. 62, then ±1.0 mi. North, then ±0.1 mi. West to locked gate North, then ±1.0 mi. North into Sec. 21-T8N-R5W.

FIRST TAKE POINT, LAST TAKE POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

Revision  A Date of Drawing: Nov. 28, 2017

Invoice # 283678A Date Staked: Nov. 2, 2017

TR

**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

Oklahoma Lic. No. 1778



DATUM: NAD-27  
LAT: 35°08'47.2"N  
LONG: 97°44'03.4"W  
LAT: 35.146434462°N  
LONG: 97.734279313°W  
STATE PLANE COORDINATES (US Feet)  
ZONE: OK SOUTH  
X: 2079442  
Y: 659929