

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

API NUMBER: 043 23609

Approval Date: 04/09/2018
Expiration Date: 10/09/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 29 Twp: 19N Rge: 17W County: DEWEY
SPOT LOCATION: SE SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 215 415

Lease Name: MERLE 32-19-17 Well No: 2H Well will be 215 feet from nearest unit or lease boundary.

Operator Name: TAPSTONE ENERGY LLC Telephone: 4057021600 OTC/OCC Number: 23467 0

TAPSTONE ENERGY LLC
100 E MAIN ST
OKLAHOMA CITY, OK 73104-2509

MERLE J. CHARBONEAU
225820 EAST 610 ROAD
SEILING OK 73663

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	11800	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 660471

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201801617
201801616

Special Orders:

Total Depth: 16800

Ground Elevation: 1949

Surface Casing: 470

Depth to base of Treatable Water-Bearing FM: 320

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

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 BED AQUIFER

Pit Location Formation: RUSH SPRINGS

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 18-34209

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

HORIZONTAL HOLE 1

Sec 32 Twp 19N Rge 17W County DEWEY

Spot Location of End Point: S2 S2 SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 11148

Radius of Turn: 573

Direction: 178

Total Length: 4751

Measured Total Depth: 16800

True Vertical Depth: 11900

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

Notes:

Category

Description

HYDRAULIC FRACTURING

3/27/2018 - 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; 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

3/27/2018 - 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

MEMO

3/27/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201801616

4/9/2018 - G57 - (I.O.) 32-19N-17W
X660471 MSSP
2 WELLS
NO OP. NAMED
3-27-2018 (MINMIER)

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.

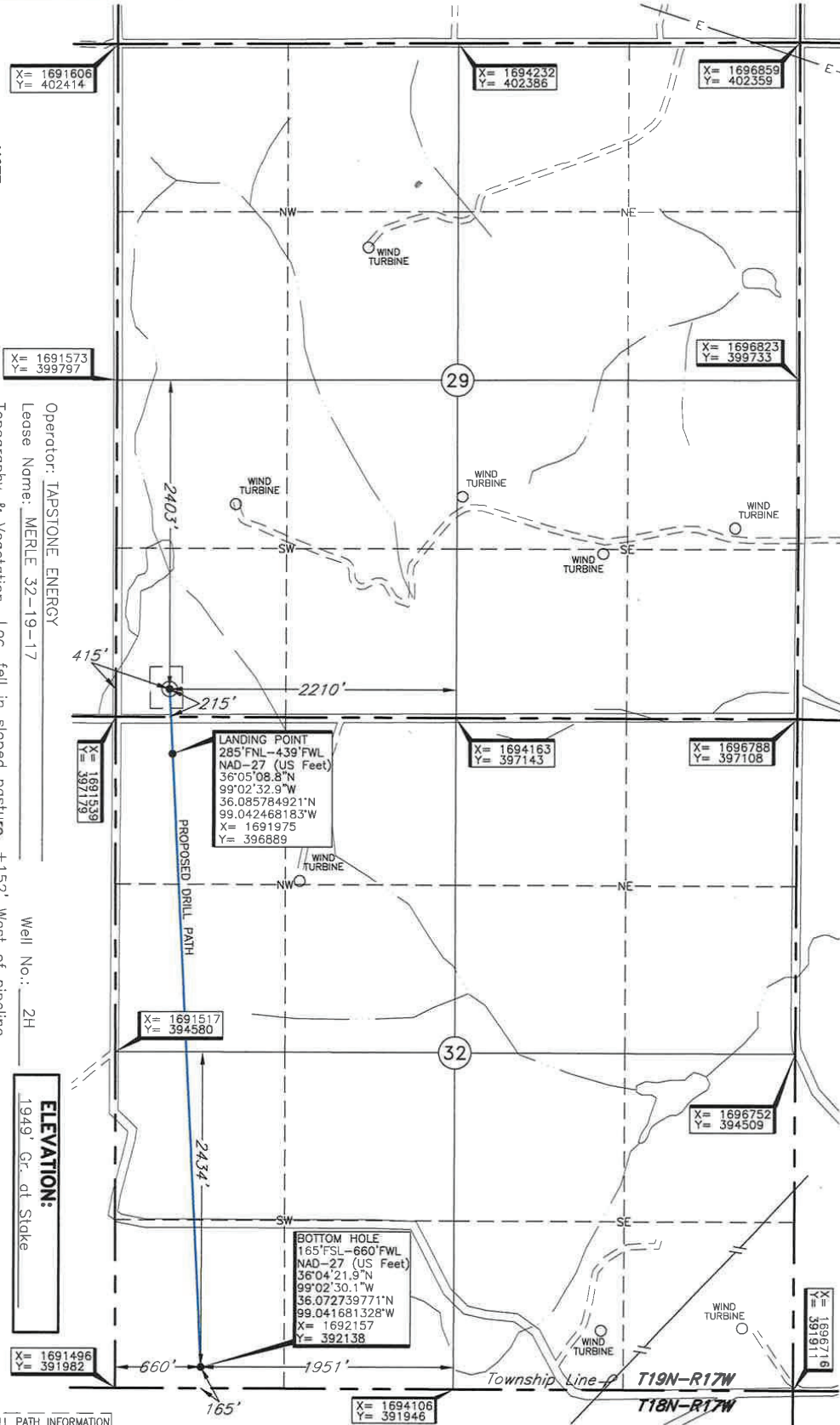
Category	Description
PENDING CD - 201801617	4/9/2018 - G57 - (I.O.) 32-19N-17W X660471 MSSP COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FWL NO OP. NAMED REC 3-27-2018 (MINMIER)
SPACING - 660471	4/2/2018 - G57 - (640)(HOR) 32-19N-17W VAC 54296 CSTR EXT 647686 MSSP POE TO BHL NLT 660' FB (COEXIST WITH SP. ORDER 217107 MSSLM)

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.

County, Oklahoma
 215'FSL-415'FWL Section 29 Township 19N Range 17W I.M.



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



Operator: TAPSTONE ENERGY
 Lease Name: MERLE 32-19-17
 Topography & Vegetation Loc. fell in sloped posture, ±152' West of pipeline
 Well No.: 2H
 Good Drill Site? Yes
 Reference Stakes or Alternate Location Stakes Set None
 Best Accessibility to Location From South off county road
 Distance & Direction From Jct. US Hwy. 183 and St. Hwy. 51, West of Seiling, OK, go ±5.0 mi. West on St. Hwy. 51, then ±4.0 mi. South to the SW Cor. of Sec. 29-119N-R17W

ELEVATION:
 1949' Gr. at Stake

LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

DATUM: NAD-27
 LAT: 36°05'13.8"N
 LONG: 99°02'33.2"W
 LAT: 36.087156849°N
 LONG: 99.042550950°W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1691956
 Y: 397388

Date of Drawing: Feb. 26, 2018
 Invoice # 289087 Date Staked: Feb. 20, 2018 TR

CERTIFICATE:

I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

Thomas L. Howell
 Oklahoma Lic. No. 1433

