

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

API NUMBER: 051 24438

Approval Date: 08/15/2018  
Expiration Date: 02/15/2019

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 29 Twp: 8N Rge: 5W County: GRADY  
SPOT LOCATION:  NE  NW  NW  NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 250 510

Lease Name: DESKINS Well No: 2932 4H Well will be 250 feet from nearest unit or lease boundary.  
Operator Name: EOG RESOURCES INC Telephone: 4052463212 OTC/OCC Number: 16231 0

EOG RESOURCES INC  
3817 NW EXPRESSWAY STE 500  
OKLAHOMA CITY, OK 73112-1483

PHYLLIS & TEDDY PICKARD  
PO BOX 743  
BLANCHARD OK 73010

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

|   | Name          | Depth | Name | Depth |
|---|---------------|-------|------|-------|
| 1 | WOODFORD      | 11075 | 6    |       |
| 2 | MISSISSIPPIAN | 11130 | 7    |       |
| 3 |               |       | 8    |       |
| 4 |               |       | 9    |       |
| 5 |               |       | 10   |       |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201803497  
201803498  
201804926  
201804927  
201804932  
201804933

Special Orders:

Total Depth: 22791 Ground Elevation: 1325 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 460

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: 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? 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: CHICKASHA

Approved Method for disposal of Drilling Fluids:

- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34737
- E. Haul to Commercial pit facility: Sec. 31 Twn. 12N Rng. 8W Cnty. 17 Order No: 587498
- 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 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 32 Twp 8N Rge 5W County GRADY

Spot Location of End Point: S2 SE SE SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 2310

Depth of Deviation: 10990

Radius of Turn: 993

Direction: 170

Total Length: 10241

Measured Total Depth: 22791

True Vertical Depth: 11571

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

| Additional Surface Owner | Address | City, State, Zip |
|--------------------------|---------|------------------|
| PHYLLIS J PICKARD TRUST  |         |                  |

Notes:

Category

Description

DEEP SURFACE CASING

7/5/2018 - G71 - 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

7/5/2018 - 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

7/5/2018 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 1 - WBM & CUTTINGS TO BE SOIL FARMED; PIT 2 - OBM CUTTINGS TO R360 (ORDER # 587498) OR DEQ APPROVED FACILITY (SOUTHERN PLAINS LANDFILL, 3-5N-6W, GRADY CO., # 3526013); PIT 2 - OBM TO VENDOR

| Category               | Description   |
|------------------------|---|
| PENDING CD - 201803497 | 7/9/2018 - G58 - (E.O.)(640)(HOR) 29-8N-5W<br>EXT 670842 MSNLC, WDFD, HNTN<br>COMPL. INT. (MSNLC, HNTN) NCT 660' FB<br>COMPL. INT. (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL<br>(COEXIST WITH PRODUCING NON-HORIZONTAL DRILLING AND SPACING UNITS)<br>REC 6/1/2018 (P. PORTER)  |
| PENDING CD - 201804926 | 7/9/2018 - G58 - 29-8N-5W<br>X201803497 MSNLC, WDFD<br>3 WELLS<br>NO OP. NAMED<br>HEARING 8/20/2018   |
| PENDING CD - 201804927 | 7/9/2018 - G58 - 32-8N-5W<br>X679452 MSSP, WDFD<br>3 WELLS<br>NO OP. NAMED<br>HEARING 8/20/2018   |
| PENDING CD - 201804932 | 7/9/2018 - G58 - (E.O.) 29 & 32-8N-5W<br>EST MULTIUNIT HORIZONTAL WELL<br>X201803497 MSNLC, WDFD 29-8N-5W<br>X679452 MSSP, WDFD, OTHER 32-8N-5W<br>(MSSP, MSNLC IS ADJACENT COMMON SOURCE OF SUPPLY TO WDFD)<br>50% 29-8N-5W<br>50% 32-8N-5W<br>NO OP. NAMED<br>REC 8/14/2018 (JACKSON)   |
| PENDING CD - 201804933 | 7/9/2018 - G58 - (E.O.) 29 & 32-8N-5W<br>X201803497 MSNLC, WDFD 29-8N-5W<br>X679452 MSSP, WDFD, OTHER 32-8N-5W<br>X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO EXISTING OR PROPOSED WELL<br>COMPL. INT. (29-8N-5W) NCT 165' FNL, NCT 0' FSL, NCT 1260' FWL<br>COMPL. INT. (32-8N-5W) NCT 0' FNL, NCT 165' FSL, NCT 1260' FWL<br>NO OP. NAMED<br>REC 8/14/2018 (JACKSON) |
| SPACING - 679452       | 7/9/2018 - G58 - (E.O.)(640)(HOR) 32-8N-5W<br>EXT 671033 MSSP, WDFD, HNTN<br>COMPL. INT. (MSNLC, HNTN) NCT 660' FB<br>COMPL. INT. (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL<br>(COEXIST WITH PRODUCING NON-HORIZONTAL DRILLING AND SPACING UNITS)<br>6/21/2018  |

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