

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

API NUMBER: 017 25289

Approval Date: 10/26/2018
Expiration Date: 04/26/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 11N Rge: 6W

County: CANADIAN

SPOT LOCATION: SW SW SW SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 285 275

Lease Name: GRIT 4-11-6

Well No: 1H

Well will be 275 feet from nearest unit or lease boundary.

Operator Name: JONES ENERGY LLC

Telephone: 5123282953

OTC/OCC Number: 21043 0

JONES ENERGY LLC
807 LAS CIMAS PKWY STE 350
AUSTIN, TX 78746-6193

LEO THOMAS SCOTT III
16709 SOUTHWEST 15TH ST.
EL RENO OK 73036

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	9207	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 665588

Location Exception Orders: 675528

Increased Density Orders: 674691

Pending CD Numbers:

Special Orders:

Total Depth: 14007

Ground Elevation: 1349

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 470

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: 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 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: 18-33752

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 04 Twp 11N Rge 6W County CANADIAN

Spot Location of End Point: N2 NW NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 8607

Radius of Turn: 382

Direction: 1

Total Length: 4800

Measured Total Depth: 14007

True Vertical Depth: 9300

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

Notes:

Category

Description

DEEP SURFACE CASING

10/26/2018 - GA8 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

10/26/2018 - GA8 - 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 - 674691

10/26/2018 - G75 - 4-11N-6W
X665588 MSSP
5 WELLS
JONES ENERGY, LLC
3-14-2018

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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.

Category	Description
LOCATION EXCEPTION - 675528	<p>10/26/2018 - G75 - (I.O.) 4-11N-6W X665588 MSSP, OTHERS SHL NCT 285' FSL, NCT 275' FWL COMPL. INT. NCT 165' FNL, NCT 165' FNL, NCT 330' FWL ** JONES ENERGY, LLC 3-30-2018</p> <p>** S/B NCT 165' FSL, NCT 165' FNL, NCT 330' FWL; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER OPERATOR</p>
MEMO	<p>10/26/2018 - GA8 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT</p>
SPACING - 665588	<p>10/26/2018 - G75 - (640)(HOR) 4-11N-6W EXT 652445 MSSP, OTHERS COMPL. INT. NLT 660' FB (COEXIST SP. ORDER # 141293 MISS & ORDER # 141778 MISS)</p>

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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.