

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

API NUMBER: 043 23669

Approval Date: 11/27/2018
Expiration Date: 05/27/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 20N Rge: 17W County: DEWEY
SPOT LOCATION: SW SE SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 260 815

Lease Name: FRED 4-19-17 Well No: 2H Well will be 260 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

GREG HORN AND PENNY HORN H/W
BOX 643
SEILING OK 73663

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN (LESS UPPER CHESTER)	10900	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 646339 Location Exception Orders: 685613 Increased Density Orders: 685612

Pending CD Numbers:

Special Orders:

Total Depth: 15900 Ground Elevation: 1833 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 90

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? 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

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-35760
H. RUSH SPRINGS

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 04 Twp 19N Rge 17W County DEWEY

Spot Location of End Point: SE SW SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 465

Depth of Deviation: 10240

Radius of Turn: 484

Direction: 182

Total Length: 4900

Measured Total Depth: 15900

True Vertical Depth: 11050

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

Notes:

Category

Description

DEEP SURFACE CASING

11/6/2018 - 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

11/6/2018 - 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

INCREASED DENSITY - 685612

11/27/2018 - G56 - 4-19N-17W
X646339 MSLUC
3 WELLS
TAPSTONE ENERGY, LLC
10/26/2018

INTERMEDIATE CASING

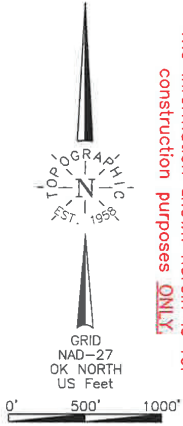
11/6/2018 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES

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.

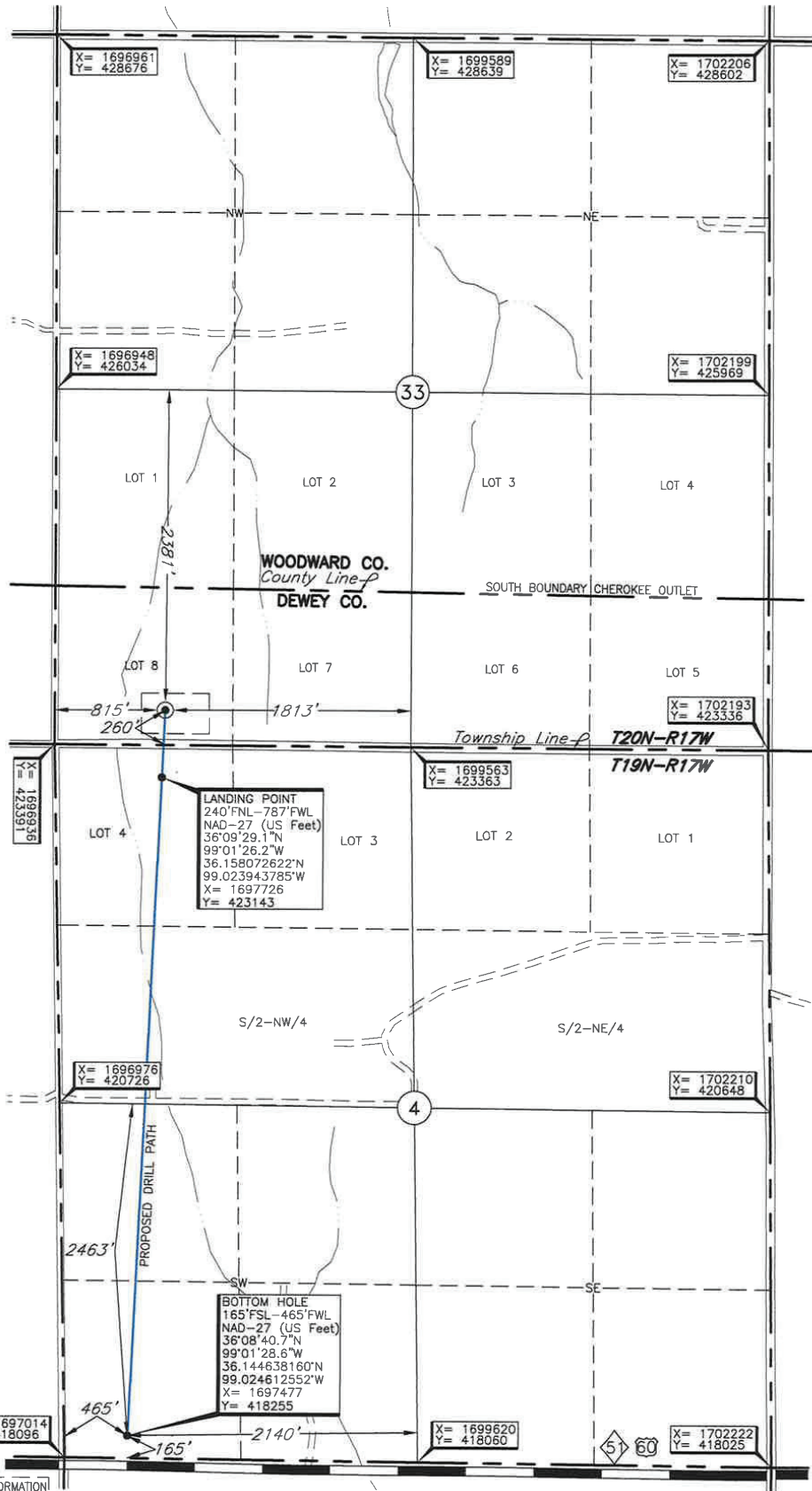
Category	Description
LOCATION EXCEPTION - 685613	11/27/2018 - G56 - (I.O.) 4-19N-17W X646339 MSLUC COMPL INT NCT 150' FNL, NCT 150' FSL, NCT 330' FWL TAPSTONE ENERGY, LLC 10/26/2018
MEMO	11/6/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 646339	11/27/2018 - G56 - (640)(HOR) 4-19N-17W EST OTHER VAC 85657 MSCST EST MSLUC, OTHER COMPL INT NLT 660' FB

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Office of the Conservation Division as to when Surface Casing will be run.

DEWEY County, Oklahoma
 260'FSL-815'FWL Section 33 Township 20N Range 17W I.M.



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



Operator: TAPSTONE ENERGY
 Lease Name: FRED 4-19-17
 Topography & Vegetation: Loc. fell in sloping pasture, ±198' North of pipeline, ±323' West of pipeline
 Good Drill Site? Yes
 Reference Stakes or Alternate Location: Stakes Set
 Best Accessibility to Location: From South of county road.
 Distance & Direction from Hwy Jct or Town: From the junction of US Hwy. 183 and St. Hwy 51 at Seiling, OK go West on St. Hwy. 51 ±4 miles, then North ±1 mile to the SW Cor. of Sec. 33-T20N-R17W.

ELEVATION:
 1833' Gr. of Sticks

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

Revision B Date of Drawing: Sept. 18, 2018
 Invoice # 302100 Date Staked: Sept. 17, 2018 TR

DATUM: NAD-27
 LAT: 36°09'34.0"N
 LONG: 99°01'26.0"W
 LAT: 36.159445060°N
 LONG: 99.023875452°W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1697752
 Y: 423642

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

