

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

API NUMBER: 149 21744

Approval Date: 05/22/2019
Expiration Date: 11/22/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 11N Rge: 19W County: WASHITA
SPOT LOCATION: N2 SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 380 330

Lease Name: GRETEMAN Well No: 1-18H Well will be 330 feet from nearest unit or lease boundary.
Operator Name: ATALAYA RESOURCES LLC Telephone: 9189869000 OTC/OCC Number: 23658 0

ATALAYA RESOURCES LLC
15 E 5TH ST STE 1100
TULSA, OK 74103-4361

MANDELL AND STEPHANIE GRETEMAN
20937 ROUTE 66 N
CANUTE KS 73626

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

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

Spacing Orders: 182127

Location Exception Orders:

Increased Density Orders: 696450

Pending CD Numbers: 201902256

Special Orders:

Total Depth: 18500

Ground Elevation: 1819

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 480

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: 25000 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: ELK CITY

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

PERMIT NO: 19-36630

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: ELK CITY

HORIZONTAL HOLE 1

Sec 18 Twp 11N Rge 19W County WASHITA

Spot Location of End Point: C N2 N2 NW

Feet From: NORTH 1/4 Section Line: 330

Feet From: WEST 1/4 Section Line: 1320

Depth of Deviation: 12800

Radius of Turn: 697

Direction: 10

Total Length: 4605

Measured Total Depth: 18500

True Vertical Depth: 12800

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category

Description

DEEP SURFACE CASING

5/10/2019 - 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

5/10/2019 - 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 - 696450

5/22/2019 - G58 - 18-11N-19W
X182127 DSMN
1 WELL
ATALAYA RESOURCES, LLC
5/21/2019

MEMO

5/10/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - TURKEY CREEK), PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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 - 201902256	5/22/2019 - G58 - (I.O.) 18-11N-19W X182127 DSMN SHL 380' FSL, 330' FWL COMPL. INT. NCT 330' FSL, NCT 330' FNL, NCT 660' FWL NO OP. NAMED REC 5/7/2019 (MOORE)
SPACING - 182127	5/22/2019 - G58 - (640) 18-11N-19W EST DSMN, OTHERS EXT OTHER

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.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

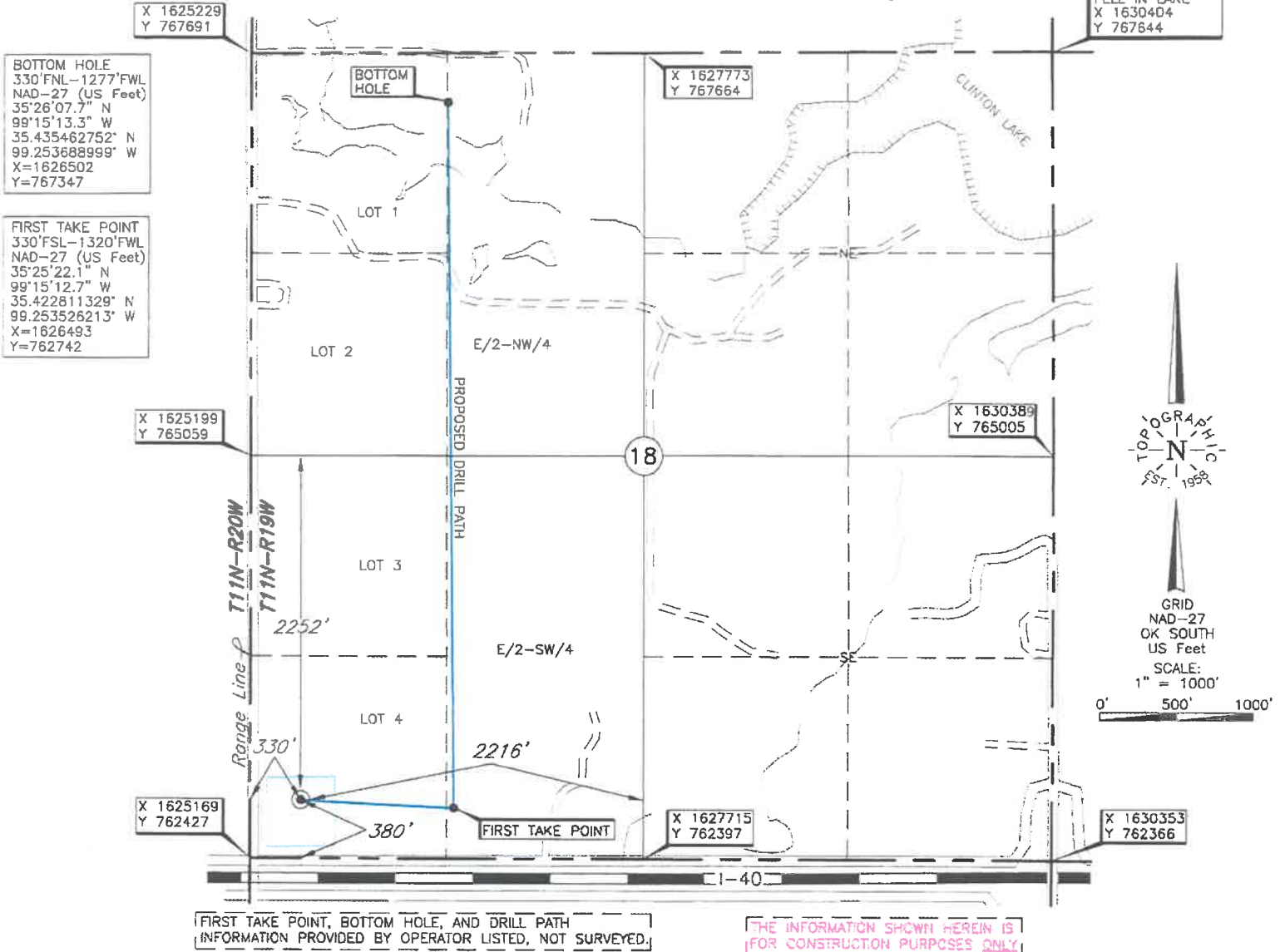
13800 Wireless Way, Okla. City, OK, 73134 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
 Certificate of Authorization No. 1293 LS

149-21744

WASHITA

County, Oklahoma

380'FSL-330'FWL Section 18 Township 11N Range 19W I.M.



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

THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY

Operator: ATALAYA RESOURCES
 Lease Name: GRETEMAN Well No.: 1-18H **ELEVATION:** 1819' Gr. at Stake
 Topography & Vegetation Location fell in terrace pasture
 Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None
 Best Accessibility to Location From West off county road
 Distance & Direction from Hwy Jct or Town From Foss, Okla., go ±5 miles West on I-40 to the SW Cor. of Sec. 18-T11N-R19W

This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy
 DATUM: NAD-27
 LAT: 35°25'22.6"N
 LONG: 99°15'24.7"W
 LAT: 35.422947078° N
 LONG: 99.256848589° W
 STATE PLANE
 COORDINATES: (US Feet)
 ZONE: OK SOUTH
 X: 1625504
 Y: 762803

Revision D Date of Drawing: May 21, 2019
 Project # 125508 Date Staked: Apr. 09, 2019 LC

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

