

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

API NUMBER: 051 24655

Approval Date: 06/10/2019  
Expiration Date: 12/10/2020

Horizontal Hole Oil & Gas  
Multi Unit

PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 5N Rge: 5W County: GRADY  
SPOT LOCATION:  NE  NE  NE  NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 265 225

Lease Name: BLACK MESA 0505 3-10 Well No: 1WH Well will be 225 feet from nearest unit or lease boundary.

Operator CAMINO NATURAL RESOURCES LLC Telephone: 7204052706 OTC/OCC Number: 24097 0  
Name:

CAMINO NATURAL RESOURCES LLC  
1401 17TH ST STE 1000  
DENVER, CO 80202-1247

WILLIAM ANDREW & JANA DELL HAILEY  
2173 COUNTRY RD 1430  
ALEX OK 73002

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	12010	6	
2	SYCAMORE	12036	7	
3	WOODFORD	12189	8	
4	HUNTON	12397	9	
5			10	

Spacing Orders: 690601  
691140  
695270

Location Exception Orders: 695271

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 22955

Ground Elevation: 1034

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 260

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

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

PERMIT NO: 19-36632

Chlorides Max: 5000 Average: 3000

H. SEE MEMO

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 10 Twp 5N Rge 5W County GRADY

Spot Location of End Point: SE SW SW SW

Feet From: SOUTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 380

Depth of Deviation: 11828

Radius of Turn: 482

Direction: 176

Total Length: 10370

Measured Total Depth: 22955

True Vertical Depth: 12397

End Point Location from Lease,  
Unit, or Property Line: 50

Notes:

Category

Description

DEEP SURFACE CASING

5/22/2019 - 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

5/22/2019 - 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](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)

LOCATION EXCEPTION - 695271

6/10/2019 - G56 - (I.O.) 3 & 10-5N-5W  
X69061 MSSP, WDFD, HNTN  
X691140 SCMR, WDFD, HNTN  
COMPL INT (3-5N-5W) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL  
COMPL INT (10-5N-5W) NCT 0' FNL, NCT 165' FSL, NCT 330' FWL  
CAMINO NATURAL RESOURCES, LLC  
4/29/2019

MEMO

5/22/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - LAFLIN 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.

051 24655 BLACK MESA 0505 3-10 1WH

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
SPACING - 690601	6/10/2019 - G56 - (640)(HOR) 3-5N-5W EST HNTN EXT 630983 MSSP, WDFD POE TO BHL (MSSP, HNTN) NLT 660' FB POE TO BHL (WDFD) NLT 165' FNL/FSL, NLT 330' FEL/FWL (COEXIST WITH SP # 176952 HNTN; # 424424 WDFD, SCMR)
SPACING - 691140	6/10/2019 - G56 - (640)(HOR) 10-5N-5W EST SCMR, HNTN, OTHER EXT 666764 WDFD POE TO BHL (SCMR, HNTN) NLT 660' FB POE TO BHL (WDFD) NLT 165' FNL/FSL, NLT 330' FEL/FWL (COEXIST WITH SP # 166124 MYES, WDFD, HNTN; 176952 HNTN; # 375100 SCMR, WDFD; 396008 SCMR, WDFD; # 396538 SCMR)
SPACING - 695270	6/10/2019 - G56 - (I.O.) 3 & 10-5N-5W ESTABLISH MULTIUNIT HORIZONTAL WELL X690601 MSSP, WDFD, HNTN X691140 SCMR, WDFD, HNTN (MSSP, SCMR, HUNTON ARE ADJACENT COMMON SOURCES OF SUPPLY TO WDFD) 50% 3-5N-5W 50% 10-5N-5W CAMINO NATURAL RESOURCES, LLC 4/29/2019
WATERSHED STRUCTURE	5/22/2019 - G71 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (405) 224-0523 PRIOR TO DRILLING

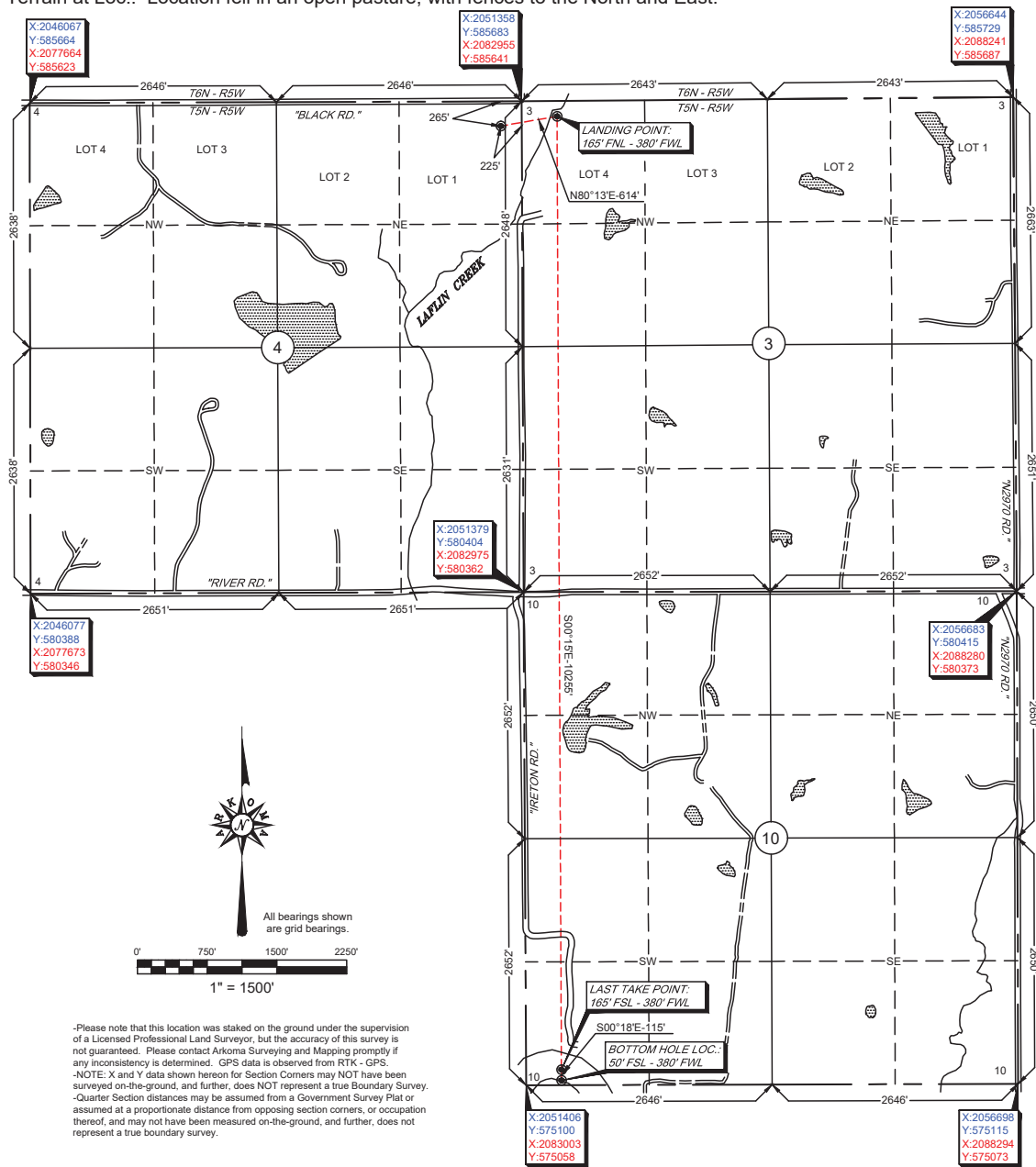
This permit does not address the right of entry or settlement of surface damages.  
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.  
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District  
Office of the Conservation Division as to when Surface Casing will be run.



# Well Location Plat

S.H.L. Sec. 4-5N-5W I.M.  
B.H.L. Sec. 10-5N-5W I.M.

Operator: CAMINO NATURAL RESOURCES, LLC  
 Lease Name and No.: BLACK MESA 0505 3-10 1WH  
 Footage: 265' FNL - 225' FEL Gr. Elevation: 1034'  
 Section: 4 Township: 5N Range: 5W I.M.  
 County: Grady State of Oklahoma  
 Terrain at Loc.: Location fell in an open pasture, with fences to the North and East.



\*Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.  
 -NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey.  
 -Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

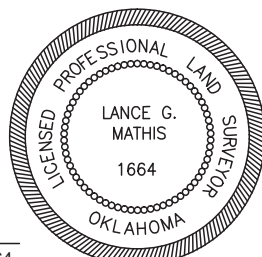
Surface Hole Loc.: Lat: 34°56'29.90"N Lon: 97°43'27.40"W Lat: 34.94163934 Lon: -97.72427857 X: 2051134 Y: 585417	First Take Point: Lat: 34°56'30.92"N Lon: 97°43'20.13"W Lat: 34.94192114 Lon: -97.72225883 X: 2051739 Y: 585521	Last Take Point: Lat: 34°54'49.48"N Lon: 97°43'19.91"W Lat: 34.91374500 Lon: -97.72219672 X: 2051786 Y: 575266	Bottom Hole Loc.: Lat: 34°54'48.34"N Lon: 97°43'19.90"W Lat: 34.91342903 Lon: -97.72219576 X: 2051786 Y: 575151
Surface Hole Loc.: Lat: 34°56'29.65"N Lon: 97°43'26.27"W Lat: 34.94156961 Lon: -97.72396347 X: 2082730 Y: 585375	First Take Point: Lat: 34°56'30.67"N Lon: 97°43'19.00"W Lat: 34.94185139 Lon: -97.72194380 X: 2083335 Y: 585479	Last Take Point: Lat: 34°54'49.23"N Lon: 97°43'18.78"W Lat: 34.91367455 Lon: -97.72188219 X: 2083382 Y: 575224	Bottom Hole Loc.: Lat: 34°54'48.09"N Lon: 97°43'18.77"W Lat: 34.91335857 Lon: -97.72188123 X: 2083382 Y: 575109

GPS DATUM  
 NAD 83  
 NAD 27  
 OK SOUTH ZONE

Survey and plat by:  
 Arkoma Surveying and Mapping, PLLC  
 P.O. Box 238 Wilburton, OK 74578  
 Ph. 918-465-5711 Fax 918-465-5030  
 Certificate of Authorization No. 5348  
 Expires June 30, 2020

Certification:  
 This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

*Lance G. Mathis*  
 LANCE G. MATHIS  
 04/11/19  
 OK LPLS 1664



Invoice # 8578  
 Date Staked: 04/03/19 By: D.W.  
 Date Drawn: 04/08/19 By: E.W.