

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

API NUMBER: 045 23771 A

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

Horizontal Hole Oil & Gas
Multi Unit

Amend reason: SKID RIG, SHL CHANGE, UPDATE ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 20N Rge: 24W County: ELLIS
SPOT LOCATION: NW SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 417 2349

Lease Name: BAYLESS 36X1-20-24 Well No: 2HCR Well will be 417 feet from nearest unit or lease boundary.
Operator Name: FOURPOINT ENERGY LLC Telephone: 3032900990 OTC/OCC Number: 23429 0

FOURPOINT ENERGY LLC
100 SAINT PAUL ST STE 400
DENVER, CO 80206-5140

KENDALL BAYLESS TRUST
184550 E CR 59
ARNETT OK 73832

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

Name	Depth	Name	Depth
1 CLEVELAND	8512	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 153956 Location Exception Orders: 686948 Increased Density Orders: 685323
602840 685322
686947

Pending CD Numbers:

Special Orders:

Total Depth: 19190 Ground Elevation: 2417 **Surface Casing: 840** Depth to base of Treatable Water-Bearing FM: 680

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: 40000 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: OGALLALA

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-35399
H. SEE MEMO

This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is 18 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: OGALLALA

HORIZONTAL HOLE 1

Sec 01 Twp 19N Rge 24W County ELLIS

Spot Location of End Point: SE SW SE SE

Feet From: SOUTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 975

Depth of Deviation: 7940

Radius of Turn: 573

Direction: 175

Total Length: 10350

Measured Total Depth: 19190

True Vertical Depth: 8512

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

Notes:

Category

Description

HYDRAULIC FRACTURING

10/31/2018 - 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 - 685322

11/5/2018 - G56 - 1-19N-24W
X153956 CLVD
2 WELLS
FOURPOINT ENERGY, LLC
10/22/2018

INCREASED DENSITY - 685323

11/5/2018 - G56 - 36-20N-24W
X602840 CLVD
1 WELL
FOURPOINT ENERGY, LLC
10/22/2018

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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.

LOCATION EXCEPTION - 686948	11/5/2018 - G56 - (I.O.) 36-20N-24W, 1-19N-24W X602840 CLVD 36-20N-24W X153956 CLVD 1-19N-24W COMPL INT (36-20N-24W) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL COMPL INT (1-19N-24W) NCT 0' FNL, NCT 165' FSL, NCT 330' FEL FOURPOINT ENERGY, LLC 11/20/2018
MEMO	PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 153956	11/5/2018 - G56 - (640) 1-19N-24W VAC OTHER EXT OTHERS EXT 70058/142475 CLVD
SPACING - 602840	11/5/2018 - G56 - (640) 36-20N-24W EXT OTHER EXT 592703 CLVD, OTHERS
SPACING - 686947	11/5/2018 - G56 - (I.O.) 36-20N-24W, 1-19N-24W ESTABLISH MULTIUNIT HORIZONTAL WELL X602840 CLVD 36-20N-24W X153956 CLVD 1-19N-24W 50% 1-19N-24W 50% 36-20N-24W FOURPOINT ENERGY, LLC 11/20/2018

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