

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

API NUMBER: 087 22007

Approval Date: 09/09/2014  
Expiration Date: 03/09/2015

Directional Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 5N Rge: 1W County: MCCLAIN  
SPOT LOCATION:  NW  SE  SW  SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 515 852

Lease Name: **BULLFROG** Well No: 1-18 Well will be 515 feet from nearest unit or lease boundary.  
Operator Name: **CHARTER OAK PRODUCTION CO LLC** Telephone: 4052860361 OTC/OCC Number: 21672 0

CHARTER OAK PRODUCTION CO LLC  
13929 QUAIL POINTE DR  
OKLAHOMA CITY, OK 73134-1037

FLOYD LAND & CATTLE COMPANY  
118 E. MAIN STREET  
NORMAN OK 73069

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

| Name                     | Depth | Name      | Depth |
|--------------------------|-------|-----------|-------|
| 1 HOXBAR                 | 5192  | 6 SYLVAN  | 7100  |
| 2 DEESE                  | 6078  | 7 VIOLA   | 7200  |
| 3 PENN BASAL UNCONF SAND | 6662  | 8 BROMIDE | 7750  |
| 4 WOODFORD               | 6682  | 9         |       |
| 5 HUNTON                 | 6778  | 10        |       |

Spacing Orders: 132192  
603534

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 8516

Ground Elevation: 1032

**Surface Casing: 390**

Depth to base of Treatable Water-Bearing FM: 100

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

**PIT 1 INFORMATION**

Type of Pit System: ON SITE  
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 not located in a Hydrologically Sensitive Area.

**Category of Pit: 2**

**Liner not required for Category: 2**

Pit Location is NON HSA

Pit Location Formation: FAIRMONT

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

**DIRECTIONAL HOLE 1**

Sec 18 Twp 5N Rge 1W County MCCLAIN

Spot Location of End Point: nn C NE SW

Feet From: SOUTH 1/4 Section Line: 1980

Feet From: WEST 1/4 Section Line: 1980

Measured Total Depth: 8516

True Vertical Depth: 8150

End Point Location from Lease,

Unit, or Property Line: 660

**Notes:**

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                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FRAC FOCUS          | 9/9/2014 - G76 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FOR HYDRAULIC FRACTURING OPERATIONS BEGINNING JANUARY 1, 2014. REFER TO OCC RULE 165:10-3-10 FOR COMPLIANCE REQUIREMENTS. PLEASE REPORT DIRECTLY TO FRACFOCUS USING THE FOLLOWING LINK <a href="http://fracfocus.org/">HTTP://FRACFOCUS.ORG/</a> OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM |
| POINT OF ENTRY      | 9/9/2014 - G91 - POINT OF ENTRY INTO FORMATIONS 1980 FSL, 1980 FWL; SW4; PER DIRECTIONAL SURVEY                                                                                                                                                                                                                                                                                                                                                                                           |
| SPACING - 132192    | 9/9/2014 - G91 - (80) W2 18-5N-1W SU SLOT NCT 330' FB (1977)<br>EXT 123864/124101 VIOL, BRMD, OTHERS<br>AMD OTHERS                                                                                                                                                                                                                                                                                                                                                                        |
| SPACING - 603534    | 9/9/2014 - G91 - (80) W2 18-5N-1W SU NE/SW<br>EXT 155035 DEESS, HNTN<br>EST HXBR, BPUNC, WDFD, SLVN, OTHER                                                                                                                                                                                                                                                                                                                                                                                |
| SURFACE CASING      | 9/9/2014 - G76 - MIN. 300' PER ORDER 20053                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| WATERSHED STRUCTURE | 9/9/2014 - G76 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (405) 527-3452 PRIOR TO DRILLING                                                                                                                                                                                                                                                                                                      |

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087 22007 BULLFROG 1-18