

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

API NUMBER: 017 24984

Approval Date: 03/17/2017
Expiration Date: 09/17/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 12N Rge: 7W County: CANADIAN
SPOT LOCATION: SE SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 295 620

Lease Name: ROSEWOOD 16-12-7 Well No: 2H Well will be 295 feet from nearest unit or lease boundary.
Operator Name: JONES ENERGY LLC Telephone: 5123282953 OTC/OCC Number: 21043 0

JONES ENERGY LLC
807 LAS CIMAS PKWY STE 350
AUSTIN, TX 78746-6193

COMMISSIONERS OF THE LAND OFFICE
204 NORTH ROBINSON, SUITE 900
OKLAHOMA CITY OK 73102

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

Name	Depth	Name	Depth
1	MISSISSIPPIAN	9645	6
2			7
3			8
4			9
5			10

Spacing Orders: 660608

Location Exception Orders: 661318

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14365

Ground Elevation: 1378

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 380

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: 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: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: BLAINE

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 17-32274

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: BLAINE

HORIZONTAL HOLE 1

Sec 16 Twp 12N Rge 7W County CANADIAN

Spot Location of End Point: NE NE NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 1150

Depth of Deviation: 9273

Radius of Turn: 477

Direction: 2

Total Length: 4343

Measured Total Depth: 14365

True Vertical Depth: 9750

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

Notes:

Category

Description

DEEP SURFACE CASING

3/16/2017 - 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

3/16/2017 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK [HTTP://FRACFOCUS.ORG/](http://fracfocus.org/) WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE

LOCATION EXCEPTION - 661318

3/16/2017 - G60 - (I.O.) 16-12N-7W
X660608 MSSP
SHL NCT 100' FNL, NCT 100' FWL
COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FWL
JONES ENERGY, LLC.
2/23/17

MEMO

3/16/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 660608

3/16/2017 - G60 - (640)(HOR) 16-12N-7W
EST MSSP, OTHERS
COMPL. INT. NLT 660' FB
(COEXIST WITH SP. ORDER 141057 MSSP)

This permit does not address the right of entry or settlement of surface damages.

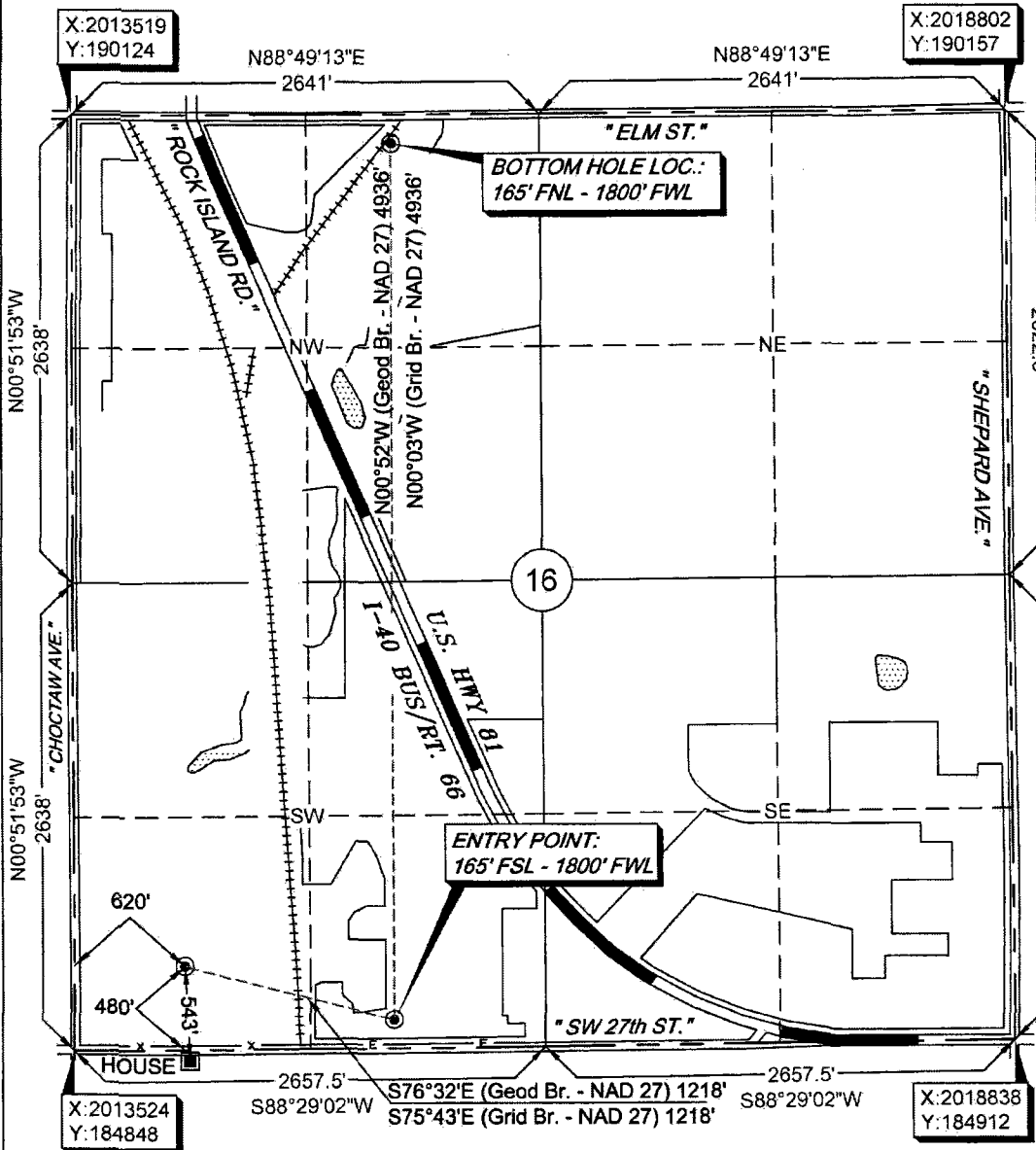
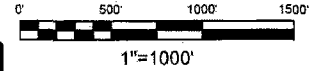
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Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

Well Location Plat

Operator : JONES ENERGY, LTD.
 Lease Name and No. : ROSEWOOD 16-12-7 2H
 Footage : 480' FSL - 620' FWL GR. ELEVATION : 1377' Good Site? YES
 Section : 16 Township : 12N Range : 7W I.M.
 County : Canadian State of Oklahoma
 Alternate Loc. : N/A
 Terrain at Loc. : Location fell in open, flat pasture.

3501724984



GPS DATUM
 NAD 27
 OK NORTH ZONE

Surface Hole Loc.:	Lat: 35°30'32.90"N
	Lon: 97°57'08.94"W
	X: 2014143
	Y: 185336
Entry Point:	Lat: 35°30'29.92"N
	Lon: 97°56'54.67"W
	X: 2015323
	Y: 185035
Bottom Hole Loc.:	Lat: 35°31'18.74"N
	Lon: 97°56'54.68"W
	X: 2015320
	Y: 189971

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.

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, 2018

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.

Invoice #6806-B-B
 Date Staked: 03/24/17 By: C.K.
 Date Drawn: 03/28/17 By: P.B.
 Rev. LP & BHL: 06/02/17 By: R.S.

Lance G. Mathis
 LANCE G. MATHIS 06/05/17
 OK LPLS 1664

