

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

API NUMBER: 043 23598

Approval Date: 02/23/2018

Expiration Date: 08/23/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 19N Rge: 14W County: DEWEY

SPOT LOCATION: FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 880 250

Lease Name: HYDEN Well No: 1914 1H-17X Well will be 250 feet from nearest unit or lease boundary.

Operator Name: NEWFIELD EXPLORATION MID-CON INC

Telephone: 2816742521; 9188781

OTC/OCC Number: 20944 0

NEWFIELD EXPLORATION MID-CON INC
24 WATERWAY AVE STE 900
THE WOODLANDS, TX 77380-2764

GLEN HYDEN OR KIMBERLY HYDEN, TRUSTEES
103647 S. HWY. 99
PRAGUE OK 74864

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN (EX CHESTER)	9275	6	
2	WOODFORD	10075	7	
3			8	
4			9	
5			10	

Spacing Orders: 671218

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201708382
201708383

Special Orders:

Total Depth: 18800

Ground Elevation: 1639

Surface Casing: 550

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: AIR

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: 4

Liner not required for Category: 4

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

B. Solidification of pit contents.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-33954

G. Haul to recycling/re-use facility: Sec. 22 Twn. 16N Rng. 9W Cnty. 73 Order No: 647741

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: WATER BASED

Chlorides Max: 8000 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

PIT 3 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 20 Twp 19N Rge 14W County DEWEY

Spot Location of End Point: SW SE SE SE

Feet From: SOUTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 525

Depth of Deviation: 8437

Radius of Turn: 750

Direction: 185

Total Length: 9185

Measured Total Depth: 18800

True Vertical Depth: 10075

End Point Location from Lease,

Unit, or Property Line: 50

Notes:

Category

Description

DEEP SURFACE CASING

2/20/2018 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

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.

043 23598 HYDEN 1914 1H-17X

Category	Description
HYDRAULIC FRACTURING	<p>2/20/2018 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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: OCCWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>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</p>
INTERMEDIATE CASING	2/20/2018 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES
MEMO	2/20/2018 - G71 - PIT 2 & 3 - CLOSED SYSTEM = STEEL PITS PER OPERATOR REQUEST; WBM TO BE SOIL FARMED; WBM & OBM CUTTINGS CAPTURED IN STEEL HALF PITS & TRANSFERRED TO BACKYARD ENERGY SERVICES FACILITY (ORDER # 647741, 22-16N-9W, KINGFISHER CO.); PIT 3 - OBM TO VENDOR
PENDING CD - 201708382	<p>2/23/2018 - G75 - (I.O.) 17 & 20-19N-14W</p> <p>EST MULTIUNIT HORIZONTAL WELL</p> <p>X671218 MSNLC, WDFD</p> <p>(WDFD ADJACENT COMMON SOURCE OF SUPPLY TO MSNLC)</p> <p>50% 17-19N-14W</p> <p>50% 20-19N-14W</p> <p>NO OP. NAMED</p> <p>REC 1-5-2018 (DUNN)</p>
PENDING CD - 201708383	<p>2/23/2018 - G75 - (I.O.) 17 & 20-19N-14W</p> <p>X671218 MSNLC, WDFD</p> <p>COMPL. INT. (17-19N-14W) NCT 165' FNL, NCT 0' FSL, NCT 330' FEL</p> <p>COMPL. INT. (20-19N-14W) NCT 0' FNL, NCT 165' FSL, NCT 330' FEL</p> <p>NO OP. NAMED</p> <p>REC 1-16-2018 (DUNN)</p>
SPACING - 671218	<p>2/23/2018 - G75 - (640)(HOR) 17 & 20-19N-14W</p> <p>EXT 660422 MSNLC, WDFD</p> <p>COMPL. INT. (MSNLC) NLT 660' FB</p> <p>COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL</p> <p>(COEXIST SP. ORDER # 181343 MSSSD 17-19N-14W & ORDER # 210959 MPLM 20-19N-14W)</p>

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.

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253 Jim Thorpe Building
Telephone: (405) 521-2240
FAX: (405) 521-3099
www.occeweb.com

OIL & GAS CONSERVATION DIVISION



Tim Baker, Director

January 30, 2018

API 043-23598

Backyard Energy Services
Conor O'Reily
1601 NW Expressway
Suite 1450
Oklahoma City, OK 73118

Re: Backyard Energy Services, Oil Based Drill Cuttings Treatment Process
Pilot Project

Dear Mr. O'Reilly:

I am in receipt of the letter from Newfield Exploration Company in which they desire to continue the pilot project using your drilling solids treatment process for drill pad sites. This letter is to authorize the treatment process for an additional 90 days until April 30th or until a final order issues in PD.201700132.

All terms and conditions set forth in the November 3rd, 2017 letter will remain in affect.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Baker".

Tim Baker
Director, OGCD

C: Mike Moore, Terri Grooms, Brad Ice, Gayland Darity, Grant Ellis, Susan Conrad, Cheri Wheeler

NEWFIELD



Newfield Exploration Company

24 Waterway Avenue | Suite 900

The Woodlands, Texas 77380

January 25, 2018

Oklahoma Corporation Commission
Tim Baker, Director of the Oil and Gas
Conservation Division
2101 N. Lincoln Blvd
Oklahoma City, Oklahoma 73105

*RE: Cause PD. No. 201700132, Backyard Energy Services, LLC, Oil Based Drill
Cutting Treatment Pilot Project, State of Oklahoma*

Dear Mr. Baker;

Please be advised that Newfield Exploration Mid-Con, Inc. (Newfield) understands and agrees it will be the sole operator under a Commission pilot project which will allow Backyard Energy Services, LLC to process Newfield's oil based drill cuttings using the process and requirements outlined in the amended application filed in Cause PD No. 201700132. The results of the processing will be a material that will be used in the construction of Newfield's drill sites.

Newfield further understands the initial pilot project was for a period of ninety (90) days and request an extension for a period of ninety (90) days, or until such time as an order issues if the above referenced cause.

If there are further questions, please do not hesitate to contact Evelyn Smith at (281)674-2521.

Sincerely,

Matt Cooley,
Drilling Manager

PERMIT PLAT

M & M Land Surveying, Inc.
Phone (580) 226-0446
520 E Street N.W.
Ardmore, OK 73401

Company Name: **NEWFIELD EXPLORATION MID-CONTINENT INC.**

Lease Name: **HYDEN 1914 1H 17X**

Section 16 Township 19 N Range 14 W , I.B.M, County of Dewey, State of Oklahoma
Elevation Good Location?

Original Location: 880'FNL - 250'FWL 1639' GROUND YES

Distance & Direction From Nearest Town: 8.4 miles Northwest of Canton.

API 043-23598

SURFACE LOCATION

DATUM: NAD27

LAT: 36° 07' 40.79"N

LONG: 98° 42' 23.89"W

LAT: 36.127998°N

LONG: 98.706637°W

STATE PLANE

COORDINATES: (US

SURVEY FEET)

ZONE: NORTH ZONE

Y (N): 411359.89

X (E): 1791314.84

DATUM: NAD83

LAT: 36° 07' 40.94"N

LONG: 98° 42' 25.21"W

LAT: 36.128038°N

LONG: 98.707002°W

STATE PLANE

COORDINATES: (US

SURVEY FEET)

ZONE: NORTH ZONE

Y (N): 411385.81

X (E): 1759712.04

DATA DERIVED FROM

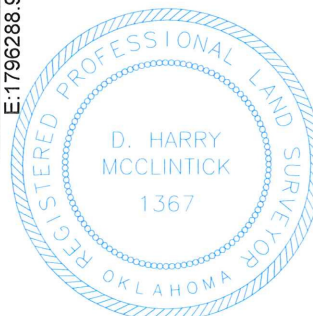
G.P.S. WITH O.P.U.S.

DATA.

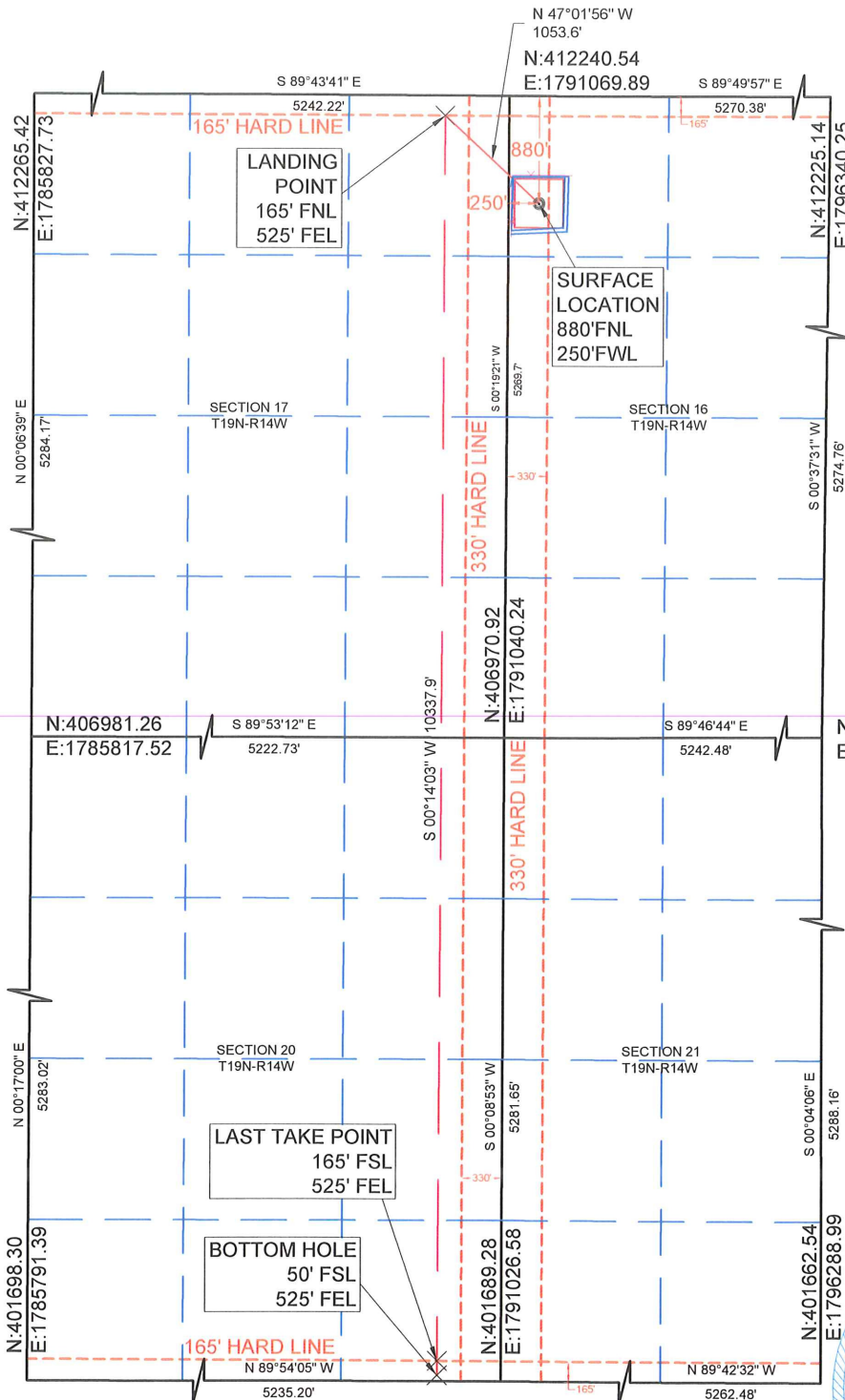
This location has been staked according to the best official survey records available to us. The metrical data shown hereon is for permitting the well location and the section location may or may not be field verified. Please review this plat and notify us immediately of any discrepancy.

CERTIFICATE:

I D. Harry McClintick a Registered Land Surveyor in the State Of Oklahoma, do hereby certify that the above described Well Location was surveyed and staked on the ground as shown and that said plat meets or exceeds the Oklahoma Minimum Technical Standards for the practice of land surveying as adopted by the Oklahoma State Board of Licensure for Professional Engineers and Land Surveyors.



D. Harry McClintick
D. Harry McClintick
PLS. No.1367 CFEDS



SURVEY BY: M & M Land Surveying, Inc. ~ C.A. No. 3093 (LS)	
DRAWING BY: Bennett-Morris And Associates Land Surveying, P.C.	
© COPYRIGHT 2016 C.A. No. 5975 (LS) ~ Aaron L. Morris, RPLS	
PROJECT NUMBER: 18072	SITE VISIT: (Explanation and Date)
SHEET: 6 OF 10	STAKING DATE: 02/08/2018
	DRAWING DATE: 02/09/2018