

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

API NUMBER: 073 26039

Approval Date: 05/02/2018
Expiration Date: 11/02/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 18N Rge: 6W County: KINGFISHER
SPOT LOCATION: SE SE SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 215 240

Lease Name: OGALLALA 18-06-01 Well No: 10H Well will be 215 feet from nearest unit or lease boundary.
Operator Name: CHISHOLM OIL & GAS OPERATING LLC Telephone: 9184886400 OTC/OCC Number: 23991 0

CHISHOLM OIL & GAS OPERATING LLC
6100 S YALE AVE STE 1700
TULSA, OK 74136-1921

WILLIAM E. & SANDRA K. FERRELL
7677 US HWY 81
HENNESSEY OK 73742

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

Name	Depth	Name	Depth
1 OSWEGO	6052	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 676037

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201802805

Special Orders:

Total Depth: 10971

Ground Elevation: 1157

Surface Casing: 240

Depth to base of Treatable Water-Bearing FM: 190

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: SALT PLAINS

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 18-34144

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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.

HORIZONTAL HOLE 1

Sec 01 Twp 18N Rge 6W County KINGFISHER

Spot Location of End Point: C NE NE NE

Feet From: NORTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 330

Depth of Deviation: 5637

Radius of Turn: 573

Direction: 359

Total Length: 4434

Measured Total Depth: 10971

True Vertical Depth: 6140

End Point Location from Lease,
Unit, or Property Line: 340

Notes:

Category

Description

HYDRAULIC FRACTURING

3/16/2018 - 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; 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

PENDING CD - 201802805

3/30/2018 - G57 - (I.O.) 1-18N-6W
X676037 OSWG
COMPL. INT. NCT 150' FSL, NCT 150' FNL, NCT 330' FEL
NO OP. NAMED
REC 4-30-2018 (JOHNSON)

SPACING - 676037

3/30/2018 - G57 - (640)(HOR) 1-18N-6W
EXT 662676 OSWG
POE TO BHL NLT 660' FB
(COEXIST WITH SP. ORDER 43828 OSWG & 45316 OSWG)



Well Location Plat

Sec. 1-18N-6W I.M.

Operator: CHISHOLM OIL & GAS OPERATING, LLC
 API: 073 26039
 Lease Name and No.: OGALLALA 18-06-01 10H
 Footage: 215' FSL - 240' FEL Gr. Elevation: 1157'
 SE/4-SE/4-SE/4-SE/4 Section: 1 Township: 18N Range: 6W I.M.
 County: Kingfisher State of Oklahoma
 Terrain at Loc.: Location fell in open pasture ±180' North of existing fence/aerial power line, and ±205' West of existing fence/aerial power line.



All bearings shown are grid bearings.



1" = 1000'

GPS DATUM

NAD 83

NAD 27

UTM - ZONE 14

Surface Hole Loc.:

Lat: 36°03'30.93"N

Lon: 97°47'00.19"W

Lat: 36.05855182

Lon: -97.78305473

X:200010

Y:13093567

Landing Point:

Lat: 36°03'34.24"N

Lon: 97°47'01.22"W

Lat: 36.05947106

Lon: -97.78334284

X:1999921

Y:13093901

Bottom Hole Loc.:

Lat: 36°04'18.10"N

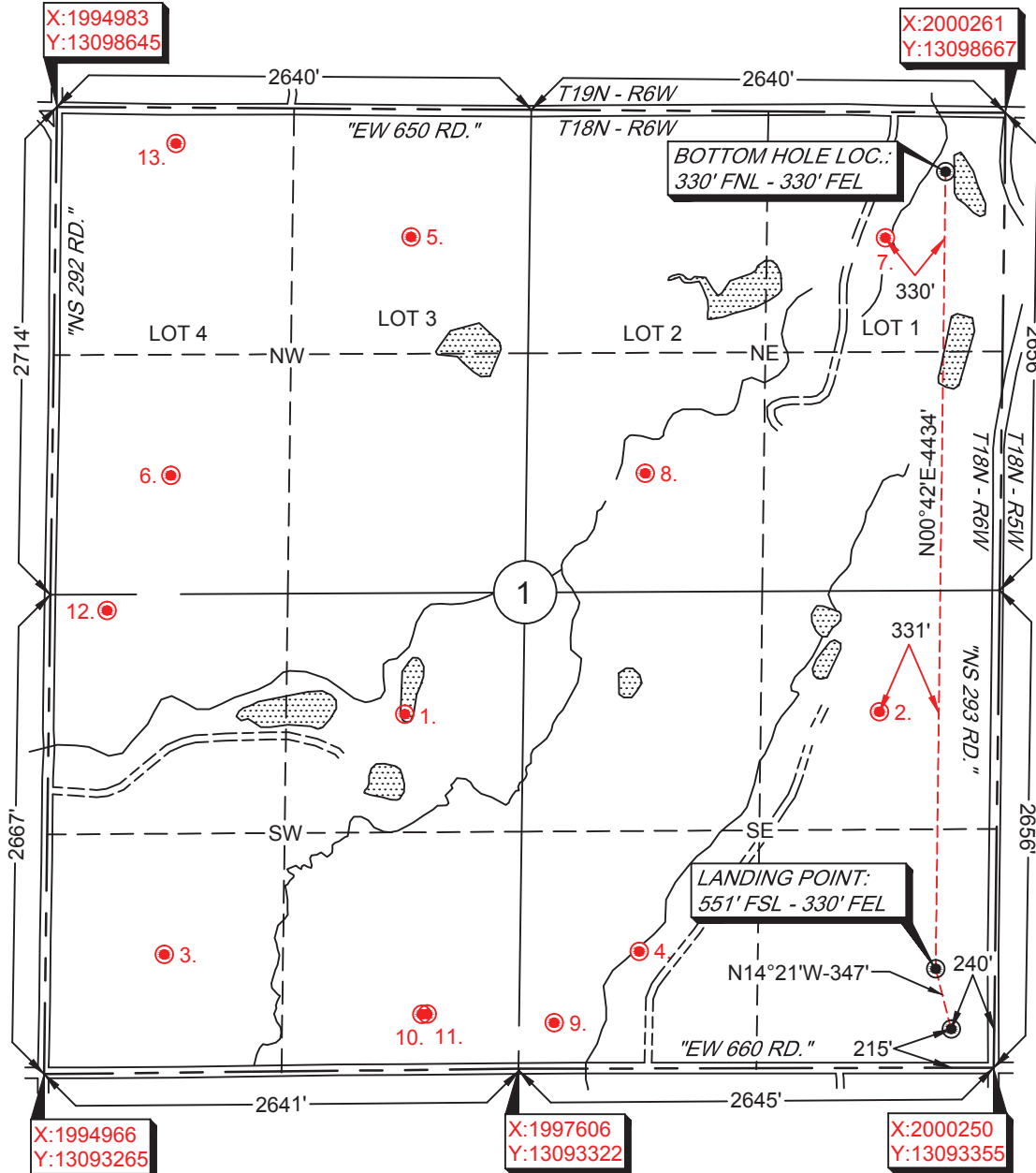
Lon: 97°47'00.44"W

Lat: 36.07165510

Lon: -97.78312423

X:1999930

Y:13098335



-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

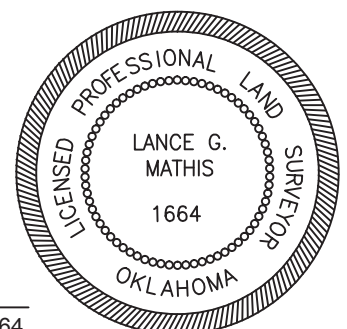
Certification:

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.

Lance G. Mathis
 LANCE G. MATHIS

04/02/18

OK LPLS 1664



Invoice #7646-B

Date Staked: 03/23/18 By: C.K.

Date Drawn: 03/27/18 By: C.K.