

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

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

Horizontal Hole Oil & Gas

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 2369

Lease Name: BAYLESS 36X1-20-24 Well No: 2HC 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  
602840

Location Exception Orders:

Increased Density Orders: 685323  
685322

Pending CD Numbers: 201806406  
201806405

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 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 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](http://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](http://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

MEMO

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

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
PENDING CD - 201806405	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 NO OP NAMED REC 10/1/2018 (DUNN)
PENDING CD - 201806406	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 NO OP NAMED REC 10/1/2018 (DUNN)
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

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.

PROPOSED NEW WELL LOCATION PLAT

COMPANY FOURPOINT ENERGY, LLC LEASE BAYLESS 36X1-20-24 WELL NO. 2HC  
 SECTION 25 TOWNSHIP T-20-N RANGE R-24-WM LOCATION 417' FSL 2369' FEL  
 COUNTY ELLIS STATE OKLAHOMA TOPOGRAPHY AND VEGETATION HAY STUBBLE  
 LATITUDE 36°10'28.80" LONGITUDE -99°42'39.02" NAD27 ELEVATION 2417' NGVD29 DATE STAKED 2/26/18  
 DIRECTION FROM NEAREST TOWN APPROXIMATELY 4.5 MILES NORTHEAST OF ARNETT, OKLAHOMA

**SURFACE LOCATION**  
 417' FSL & 2369' FEL  
 OF SECTION 25  
 NAD27:  
 X = 1,495,073  
 Y = 432,038  
 36°10'28.80"  
 -99°42'39.02"  
 36.17468877  
 -99.7108389  
 NAD83:  
 X = 1,463,469  
 Y = 432,066  
 36°10'28.95"  
 -99°42'40.44"  
 36.17470833  
 -99.71123333

**FIRST TAKE POINT**  
 165' FSL & 735' FEL  
 OF SECTION 36  
 NAD27:  
 X = 1,496,897  
 Y = 431,423  
 36°10'23.01"  
 -99°42'19.09"  
 36.17305833  
 -99.7053028  
 NAD83:  
 X = 1,465,093  
 Y = 431,451  
 36°10'23.15"  
 -99°42'20.50"  
 36.17309722  
 -99.7056944

OKLA. COORDINATE SYSTEM  
 NAD-27  
 OKLAHOMA NORTH ZONE  
 U.S. FEET

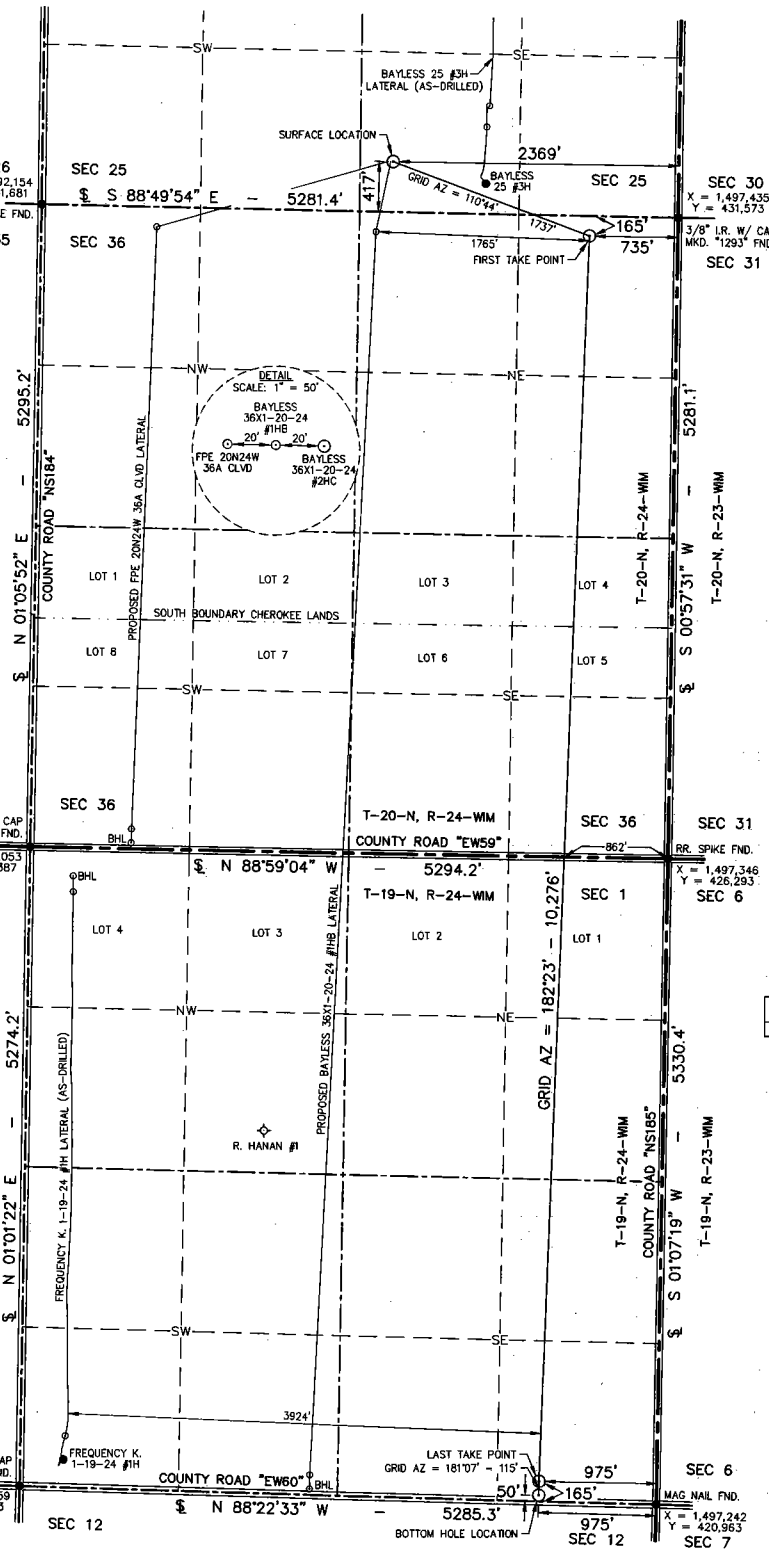
**LAST TAKE POINT**  
 165' FSL & 975' FEL  
 OF SECTION 1  
 NAD27:  
 X = 1,496,271  
 Y = 421,156  
 36°08'41.41"  
 -99°42'22.08"  
 36.14483611  
 -99.70613333  
 NAD83:  
 X = 1,464,667  
 Y = 421,184  
 36°08'41.56"  
 -99°42'23.50"  
 36.1448778  
 -99.7065278

**BOTTOM HOLE LOCATION**  
 50' FSL & 975' FEL  
 OF SECTION 1  
 NAD27:  
 X = 1,496,288  
 Y = 421,041  
 36°08'40.27"  
 -99°42'22.09"  
 36.14451944  
 -99.70613611  
 NAD83:  
 X = 1,464,664  
 Y = 421,069  
 36°08'40.42"  
 -99°42'23.51"  
 36.14456111  
 -99.7065306

- WELL LEGEND**
- PERMITTED
  - OIL
  - ★ GAS
  - ★ OIL/GAS
  - ★ PLUGGED OIL
  - ★ PLUGGED GAS
  - ★ PLUGGED OIL/GAS

**NOTE:**

- This plat is intended for Oklahoma Corporation Commission Permit purposes only and is NOT to be relied upon as a boundary survey and is NOT to be used to convey or establish real property interests.
- Bearings and dimensions shown are based on Grid Azimuth and Grid distance. All X,Y coordinates are based on NAD27, Oklahoma North Zone, U.S. Feet.
- X,Y Coordinates were derived from GPS static survey observations and/or RIK survey methods.
- As-drilled data shown on this plat was provided by client and/or third party. Information was not nor has not been field verified by Surveyor.



WELL NAME	DISTANCE TO HORIZ.
R. HANAN #1	2397

Scale 1" = 1000'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY MYSELF OR OTHERS UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SIGNED: *[Signature]* DATED: 7/13/18

**GDI**  
 Geospatial Data, Inc.  
 LAND SURVEYING • GIS  
 BEYOND MAPPING.COM  
 105 HACKBERRY TRAIL • CANADIAN, TX 79014  
 (800) 323-8773 • TEXAS PRM NO. 10010100  
 CERT. OF AUTH. NO. 7706, EXP. JUNE 30, 2018

**FOURPOINT ENERGY**  
 100 ST. PAUL STREET • SUITE 400 • DENVER, CO 80206

BAYLESS 36X1-20-24 #2HC
FIELD: KB,KV,GPS
DRAWN: CM
DATE: 7/13/18
CHECKED: MLS
SHEET: 1 OF 4
REVISION:

**REGISTERED PROFESSIONAL LAND SURVEYOR**  
 CURT McPHERSON  
 1513  
 OKLAHOMA

JOB NO. C218-076-1