

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

API NUMBER: 049 25270 A

Approval Date: 03/08/2019
Expiration Date: 09/08/2020

Directional Hole Oil & Gas

Amend reason: TO ADD THE CHIMNEY HILL, SYCAMORE, BOIS D ARC TO MATCH THE LOCATION EXCEPTION 697470

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 4N Rge: 4W County: GARVIN
SPOT LOCATION: NE NE SW NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 1511 1610

Lease Name: NEVA JUNE Well No: 2-5 Well will be 291 feet from nearest unit or lease boundary.
Operator Name: RED ROCKS OIL & GAS OPERATING LLC Telephone: 4056003065 OTC/OCC Number: 22649 0

RED ROCKS OIL & GAS OPERATING LLC
1321 N ROBINSON AVE STE A
OKLAHOMA CITY, OK 73103-4919

TERRY AND CYNTHIA HACKER
1754 HIGH RIDGE DRIVE
BLANCHARD OK 73010

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

	Name	Depth	Name	Depth
1	SYCAMORE	9662	6	
2	BOIS D ARC	10125	7	
3	CHIMNEY HILL	10472	8	
4	VIOLA	10705	9	
5	SIMPSON (ABOVE OIL CREEK)	11253	10	

Spacing Orders: 34862 Location Exception Orders: 703973 Increased Density Orders: 695002
221317
37171
337008
331718

Pending CD Numbers:

Special Orders:

Total Depth: 12245 Ground Elevation: 1068 **Surface Casing: 2000** Depth to base of Treatable Water-Bearing FM: 250

Deep surface casing has been approved

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 19-36249

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

DIRECTIONAL HOLE 1

Sec 05 Twp 4N Rge 4W County GARVIN

Spot Location of End Point: NE SW SE NE

Feet From: NORTH 1/4 Section Line: 2150

Feet From: EAST 1/4 Section Line: 900

Measured Total Depth: 12245

True Vertical Depth: 12230

End Point Location from Lease,

Unit, or Property Line: 900

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

The duration of this permit is 18 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.

Notes:

Category	Description
DEEP SURFACE CASING	3/5/2019 - 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	3/5/2019 - 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
INCREASED DENSITY - 695002	11/1/2019 - G56 - E2 NE4 5-4N-4W X37171 CMNL X331718 SCMR 337008 BDCR 1 WELL RED ROCKS OIL & GAS OP., LLC 4/22/2019
LOCATION EXCEPTION - 703973	11/1/2019 - G56 - (F.O.) E2 NE4 5-4N-4W X34862 SPAOC X37171 CMNL X212317 VIOL X331718 SCMR X337008 BDCR POE (SCMR) 361' FSL, 415' FWL E2 NE4 5-4N-4W POE (BDCR) 362' FSL, 421' FWL E2 NE4 5-4N-4W POE (CMNL) 357' FSL, 421' FWL E2 NE4 5-4N-4W POE (VIOL) 359' FSL, 432' FWL E2 NE4 5-4N-4W POE TO BHL (SPAOC) 362' FSL, 446' FWL E2 NE4 5-4N-4W RED ROCKS OIL & GAS OP., LLC 10/21/2019
SPACING - 212317	11/1/2019 - G56 - (80) 5-4N-4W SU NE/SW EXT 63504 VIOL
SPACING - 331718	11/1/2019 - G56 - (80) NE4 5-4N-4W SU NE/SW EST SCMR
SPACING - 337008	11/1/2019 - G56 - (80) E2 NE4 5-4N-4W NLT 330' FB EST BDCR
SPACING - 34862	11/1/2019 - G56 - (80) 5-4N-4W SU NE/SW EXT 30486/34492 SPAOC
SPACING - 37171	11/1/2019 - G56 - (80) 5-4N-4W SU NE/SW EST CMNL
WATERSHED STRUCTURE	3/5/2019 - G71 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (405) 238-7233 PRIOR TO DRILLING