API NUMBER: 063 24803

Oil & Gas

Straight Hole

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

Approval Date: 05/22/2018

Expiration Date: 11/22/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 8N Rg SPOT LOCATION: C SE NW SI	Ie: 9E County: HUG	SOUTH FROM WEST		
o. o. 200o <u>(o</u>	SECTION LINES:	1650 990		
Lease Name: BARBRE	Well No:	1-31	Well will be 990	feet from nearest unit or lease boundary.
Operator ATCHLEY RESOURCES INC Name:		Telephone: 4058483331	ОТС	C/OCC Number: 20266 0
ATCHLEY RESOURCES INC 13903 QUAIL POINTE DR OKLAHOMA CITY, OK 73134-1002		CHRIS 313 E.	BARBRE MAIN	
ORLANOWIA CITT,	73134-1002	HOLDI	ENVILLE	OK 74848
Formation(s) (Permit Valid for Listed Name 1 BOOCH 2 3 4 5	d Formations Only): Depth 2750	Name 6 7 8 9 10		Depth
Spacing Orders: 570046 Location B		Orders: Increased Density Orders:		
Pending CD Numbers:			Special	Orders:
Total Depth: 3000 Ground Elevation: 814		Casing: 300 Depth to base of Treatable Water-Bearing FM: 230		
Under Federal Jurisdiction: No Fresh Water		r Supply Well Drilled: No		Surface Water used to Drill: Yes
PIT 1 INFORMATION		Approved Method for disposal of Drilling Fluids:		
Type of Pit System: ON SITE		A. Evaporation/d	A. Evaporation/dewater and backfilling of reserve pit.	
Type of Mud System: WATER BASED				
Chlorides Max: 8000 Average: 5000 Is depth to top of ground water greater than 10ft be Within 1 mile of municipal water well? Wellhead Protection Area? N Pit is not located in a Hydrologically Sensitive A				
Category of Pit: 2				
Liner not required for Category: 2				
Pit Location is NON HSA				
Pit Location Formation: HOLDENVILLE				

Notes:

Category Description

HYDRAULIC FRACTURING 5/18/2018 - 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

SPACING - 570046 5/22/2018 - G57 - (UNIT) N2 & SE4 & N2 SW4 & SW4 SW4 31-08N-09E

EST NORTH HOLDENVILLE BOOCH SAND UNIT - BOCH