

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

API NUMBER: 017 25250

Approval Date: 07/30/2018

Expiration Date: 01/30/2019

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 12N Rge: 8W

County: CANADIAN

SPOT LOCATION:

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 695 230

Lease Name: CROOKED NOSE 15-12N-8W

Well No: 1WH

Well will be 230 feet from nearest unit or lease boundary.

Operator Name: PALOMA OPERATING CO INC

Telephone: 7136508509

OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC
1100 LOUISIANA ST STE 5100
HOUSTON, TX 77002-5220

CHARLES W. BRANDLEY AND CHERLYN J, BRANDLEY
7903 SMITH ROAD WEST
EL RINO OK 73036

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

Name	Depth	Name	Depth
1 WOODFORD	11195	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 201804438

Location Exception Orders: 201804439

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 16089

Ground Elevation: 1445

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 320

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: DOG CREEK

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

PERMIT NO: 18-34429

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: DOG CREEK

HORIZONTAL HOLE 1

Sec 15 Twp 12N Rge 8W County CANADIAN

Spot Location of End Point: NE NE NW NW

Feet From: NORTH 1/4 Section Line: 65

Feet From: WEST 1/4 Section Line: 1060

Depth of Deviation: 10289

Radius of Turn: 477

Direction: 10

Total Length: 5051

Measured Total Depth: 16089

True Vertical Depth: 12000

End Point Location from Lease,
Unit, or Property Line: 65

Additional Surface Owner	Address	City, State, Zip
LAVERNE BRANDLEY	7323 SMITH ROAD WEST	EL RINO, OK 73036

Notes:

Category

Description

DEEP SURFACE CASING

7/16/2018 - 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

7/16/2018 - 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: OCCWEB.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

MEMO

7/16/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201804438

7/17/2018 - G58 - (640) 15-12N-8W
EXT 592308 WDFD
REC 6/26/2018 (MILLER)

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.

017 25250 CROOKED NOSE 15-12N-8W
1WH

Category

PENDING CD - 201804439

Description

7/17/2018 - G58 - (I.O.) 15-12N-8W
X201804438 WDFD
COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FWL
NO OP. NAMED
REC 6/26/2018 (MILLER)

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.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

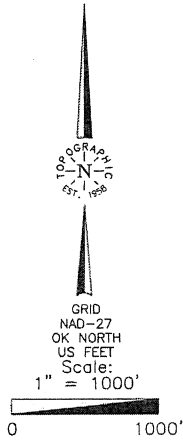
13800 WIRELESS WAY, OKLA. CITY, OKLA. 73134 • LOCAL (405) 843-4847 • OUT OF STATE (800) 654-3219
Certificate of Authorization No. 1293 LS

CANADIAN

County, Oklahoma

017-25250

695'FNL-230'FWL Section 22 Township 12N Range 8W I.M.



Operator: PALOMA OPERATING COMPANY, INC.
Lease Name: CROOKED NOSE 15-12N-8W
Topography & Vegetation Location fell in pasture
Good Drill Site? Yes
Best Accessibility to Location From West off county road
Distance & Direction from Hwy Jct or Town From the junction of US Hwy 270 N. & I-40, go ± 3 miles East on I-40, then ± 1.5 miles South, then ± 1 mile East to the Northwest Corner of Section 22, 12N-8W.
Reference Stakes or Alternate Location
Stakes Set None

Well No.: 1WH

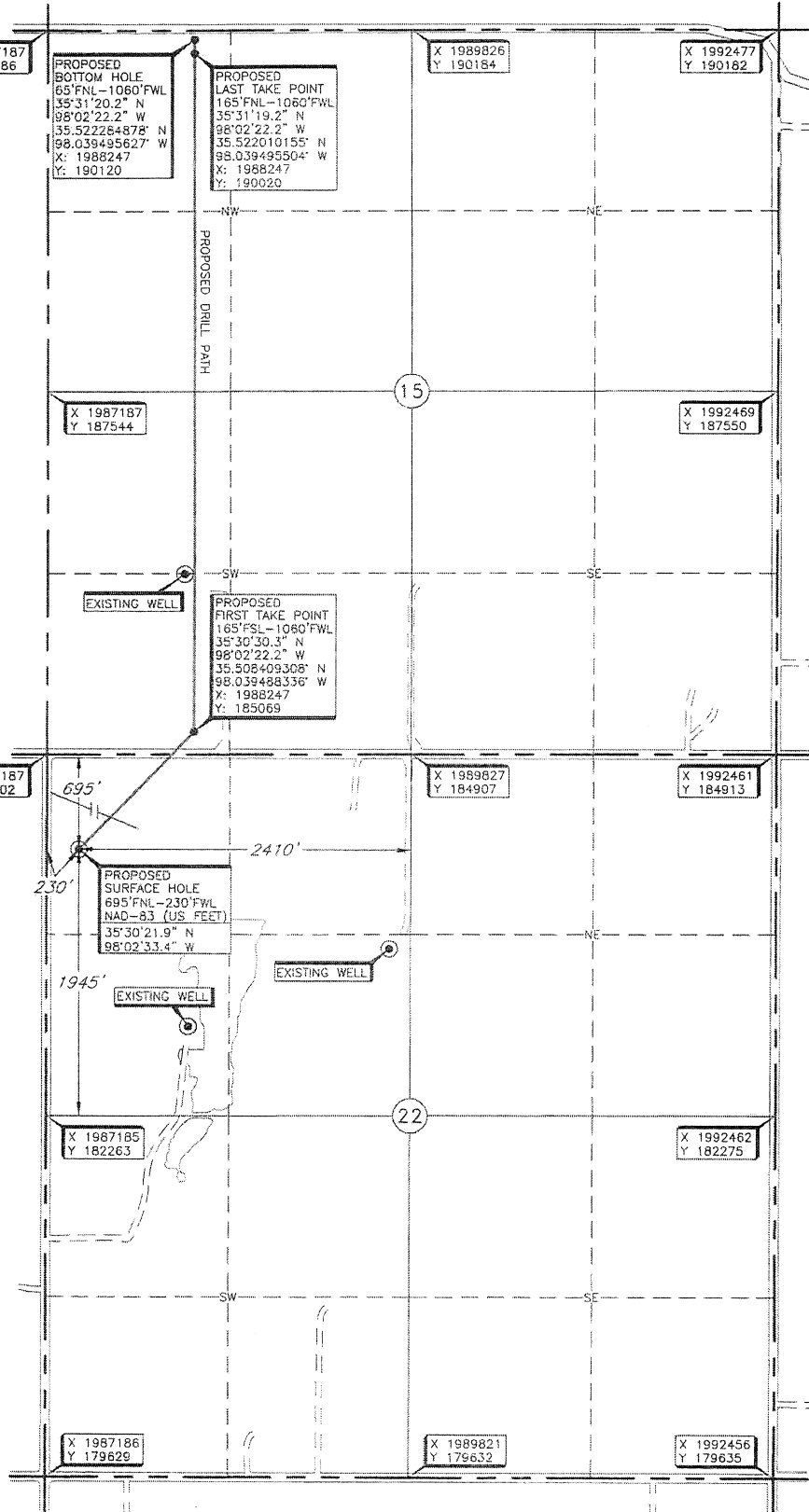
ELEVATION:
1445' Gr. at Stake (NAVD 88)
1445' Gr. at Stake (NCVD 29)

FIRST TAKE POINT, LAST TAKE POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY.

OKLAHOMA
TOPOGRAPHIC
LAND SURVEYORS
OF OKLAHOMA
INC.

DATUM: NAD-27
LAT: 35°30'21.7" N
LONG: 98°02'32.2" W
LAT: 35°06'04.1513" N
LONG: 98°04'22.77852" W
STATE PLANE
COORDINATES (US FEET):
ZONE: OK NORTH
X: 1987416
Y: 184208



Date of Drawing: March 13, 2018
Invoice # 289822 Date Staked: March 7, 2018

CERTIFICATE:

I, Thomas L. Howell, an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.

Thomas L. Howell
Oklahoma Lic. No. 1433

