

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

API NUMBER: 011 23948

Approval Date: 03/02/2018

Expiration Date: 09/02/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 16N Rge: 13W

County: BLAINE

SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 250 860

Lease Name: ICE Well No: 1613 1H-32R Well will be 250 feet from nearest unit or lease boundary.

Operator Name: NEWFIELD EXPLORATION MID-CON INC

Telephone: 2816742521; 9188781

OTC/OCC Number: 20944 0

NEWFIELD EXPLORATION MID-CON INC
24 WATERWAY AVE STE 900
THE WOODLANDS, TX 77380-2764

JIMMIE ICE & VICKI ICE, CO-TRUSTEES
RT. 1, BOX 191
FAY OK 73646

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

Name	Depth	Name	Depth
1 MISSISSIPPI LIME	11669	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 152625

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201708731

Special Orders:

Total Depth: 16810

Ground Elevation: 1749

Surface Casing: 350

Depth to base of Treatable Water-Bearing FM: 240

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: AIR

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: 4

Liner not required for Category: 4

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34058

G. Haul to recycling/re-use facility: Sec. 22 Twn. 16N Rng. 9W Cnty. 73 Order No: 647741

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: WATER BASED

Chlorides Max: 8000 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

PIT 3 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 32 Twp 16N Rge 13W County BLAINE

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 380

Depth of Deviation: 10990

Radius of Turn: 477

Direction: 5

Total Length: 5071

Measured Total Depth: 16810

True Vertical Depth: 11696

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

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011 23948 ICE 1613 1H-32R

Category	Description
HYDRAULIC FRACTURING	<p>3/2/2018 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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,</p> <p>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</p>
INTERMEDIATE CASING	<p>3/2/2018 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES</p>
MEMO	<p>3/2/2018 - G71 - PIT 2 & 3 - CLOSED SYSTEM = STEEL PITS PER OPERATOR REQUEST; PIT 2 - WBM TO BE SOIL FARMED; PIT 2 & 3 - WBM & OBM CUTTINGS CAPTURED IN STEEL HALF PITS & TRANSFERRED TO BACKYARD ENERGY SERVICES FACILITY (ORDER # 647741, 22-16N-9W, KINGFISHER CO.); PIT 3 - OBM TO VENDOR</p>
PENDING CD - 201708731	<p>3/2/2018 - G75 - (E.O.) 32-16N-13W X152625 MSSLM COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FEL NO OP. NAMED REC 1-30-2018 (DUNN)</p>
SPACING - 152625	<p>3/2/2018 - G75 - (640) 32-16N-13W EXT OTHERS EXT 126458 MSSLM, OTHERS</p>

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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 SURVEY 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

BLAINE

County, Oklahoma

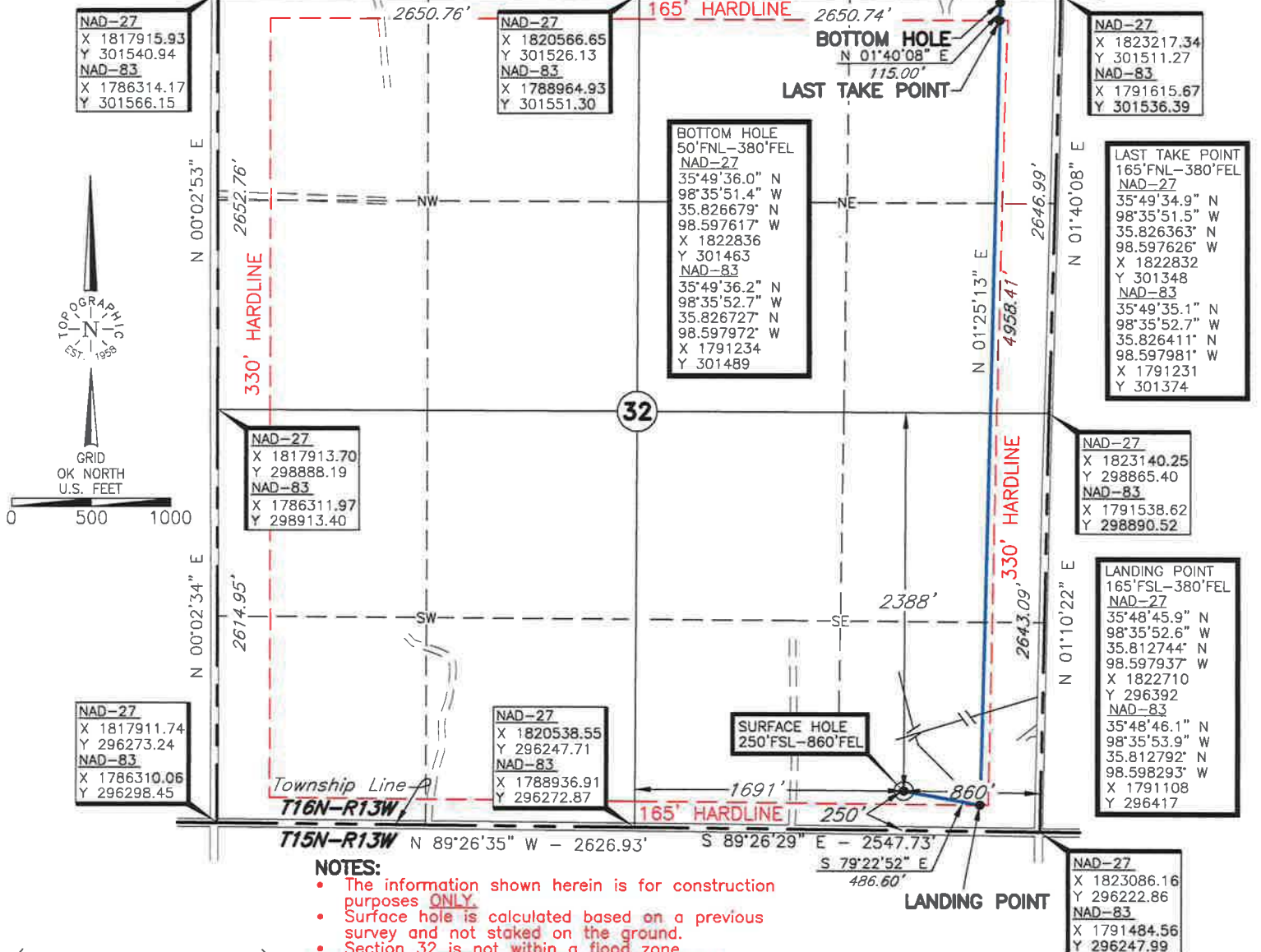
API 011-23948

250'FSL-860'FEL Section 32 Township 16N Range 13W I.M.

S 89°40'47" E

PERMIT PLAT

S 89°40'44" E



This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy.

DATUM: NAD-27
LAT: 35°48'46.7" N
LONG: 98°35'58.4" W
LAT: 35.812982° N
LONG: 98.599552° W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK NORTH
X: 1822231
Y: 296481

DATUM: NAD-83
LAT: 35°48'46.9" N
LONG: 98°35'59.7" W
LAT: 35.813028° N
LONG: 98.599909° W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK NORTH
X: 1790629
Y: 296506

Operator: NEWFIELD EXPLORATION MID-CONTINENT, INC.

Lease Name: ICE 1613

Well No.: 1H-32R

Topography & Vegetation Location fell in sloping pasture

Good Drill Site? Yes

Reference Stakes or Alternate Location
Stakes Set None

Best Accessibility to Location From South off county road

Distance & Direction

from Hwy Jct or Town From the junction of St. Hwy 33/St. Hwy 58 & US Hwy 270, West of Watonga, Oklahoma, go Southwest ± 0.5 mile on St. Hwy 33, then ± 1.6 miles South to the Southeast Corner of Section 32, T16N-R13W.

Revision ☒ A Date of Drawing: March 1, 2018

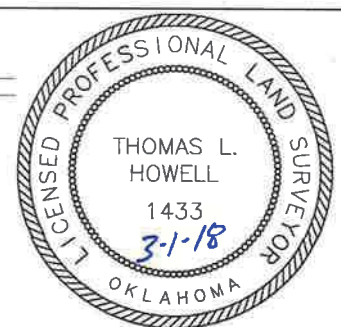
Invoice # 286698 Date Staked: Jan. 9, 2018

NB

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



OKLAHOMA
CORPORATION COMMISSION
P.O. BOX 52000
OKLAHOMA CITY, OKLAHOMA 73152-2000

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www.occeweb.com

OIL & GAS CONSERVATION DIVISION



Tim Baker, Director

January 30, 2018

API 011-23948

Backyard Energy Services
Conor O'Reily
1601 NW Expressway
Suite 1450
Oklahoma City, OK 73118

Re: Backyard Energy Services, Oil Based Drill Cuttings Treatment Process
Pilot Project

Dear Mr. O'Reilly:

I am in receipt of the letter from Newfield Exploration Company in which they desire to continue the pilot project using your drilling solids treatment process for drill pad sites. This letter is to authorize the treatment process for an additional 90 days until April 30th or until a final order issues in PD.201700132.

All terms and conditions set forth in the November 3rd, 2017 letter will remain in affect.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Baker", written over a horizontal line.

Tim Baker
Director, OGCD

C: Mike Moore, Terri Grooms, Brad Ice, Gayland Darity, Grant Ellis, Susan Conrad, Cheri Wheeler

NEWFIELD



Newfield Exploration Company

24 Waterway Avenue | Suite 900

The Woodlands, Texas 77380

January 25, 2018

Oklahoma Corporation Commission
Tim Baker, Director of the Oil and Gas
Conservation Division
2101 N. Lincoln Blvd
Oklahoma City, Oklahoma 73105

*RE: Cause PD. No. 201700132, Backyard Energy Services, LLC, Oil Based Drill
Cutting Treatment Pilot Project, State of Oklahoma*

Dear Mr. Baker;

Please be advised that Newfield Exploration Mid-Con, Inc. (Newfield) understands and agrees it will be the sole operator under a Commission pilot project which will allow Backyard Energy Services, LLC to process Newfield's oil based drill cuttings using the process and requirements outlined in the amended application filed in Cause PD No. 201700132. The results of the processing will be a material that will be used in the construction of Newfield's drill sites.

Newfield further understands the initial pilot project was for a period of ninety (90) days and request an extension for a period of ninety (90) days, or until such time as an order issues if the above referenced cause.

If there are further questions, please do not hesitate to contact Evelyn Smith at (281)674-2521.

Sincerely,

Matt Cooley,
Drilling Manager