API NUMBER: 017 25196

Oil & Gas

Horizontal Hole

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

Approval Date: 03/06/2018
Expiration Date: 09/06/2018

PERMIT TO DRILL

WELL LOCATION:	Sec:	04	Twp:	11N	Rge:	6W	County:	CANADIAN

SPOT LOCATION: SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST SECTION LINES: 285 275

Lease Name: GRIT 4-11-6 Well No: 1H Well will be 275 feet from nearest unit or lease boundary.

Operator JONES ENERGY LLC Telephone: 5123282953 OTC/OCC Number: 21043 0

JONES ENERGY LLC

807 LAS CIMAS PKWY STE 350

AUSTIN, TX 78746-6193

LEO THOMAS SCOTT III 16709 SW 15TH STREET

EL RENO OK 73036

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

Name Depth Name Depth MISSISSIPPIAN 1 9049 6 2 WOODFORD 9376 7 3 HUNTON 9491 8 9 10 665588 Spacing Orders: Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201708271 Special Orders:

201800233

Total Depth: 13846 Ground Elevation: 1349 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 470

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

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 D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-33752

Chlorides Max: 5000 Average: 3000 H. SEE MEMO

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 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 AP/TE DEPOSIT
Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 04 Twp 11N Rge 6W County CANADIAN

Spot Location of End Point: N2 NW NW NW Feet From: NORTH 1/4 Section Line: 165
Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 8253 Radius of Turn: 382

Direction: 5

Total Length: 4993

Measured Total Depth: 13846

True Vertical Depth: 9491

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

MEMO

Category Description

DEEP SURFACE CASING 2/13/2018 - 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 2/13/2018 - 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

2/13/2018 - G71 - 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 - 201708271 2/14/2018 - G57 - (I.O.) 4-11N-6W

2/14/2018 - G57 - (I.O.) 4-11N-6W X665588 MSSP, WDFD, HNTN SHL NCT 285' FSL, NCT 275' FWL

COMPL. INT. NCT 165' FNL, NCT 165' FNL, NCT 330' FWL**

NO OP. NAMED

REC 1-29-2018 (P. PORTER)

**S/B COMPL. INT. NCT 165' FSL , NCT 165' FNL, NCT 330' FWL; WILL BE CORRECTED AT

HEARING FOR THE FINAL ORDER PER OPERATOR

PENDING CD - 201800233 2/14/2018 - G57 - (I.O.) 4-11N-6W

X665588 MSSP 5 WELLS NO OP. NAMED

REC 1-29-2018 (P. PORTER)

SPACING - 665588 2/14/2018 - G57 - (640)(HOR) 4-11N-6V

2/14/2018 - G57 - (640)(HOR) 4-11N-6W EXT 652445 MSSP, WDFD, HNTN

POE TO BHL (MSSP, HNTN) NCT 660' FB

POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL

(COEXIST SP. ORDER #141293 & 141778 MISS, HNTN)

