| PI NUMBER: 017 25247  | P.C<br>OKLAHOMA             | NSERVATION COMMISSI<br>NSERVATION DIVISION<br>BOX 52000<br>CITY, OK 73152-2000<br>le 165:10-3-1) |   |
|---|-----------------------------|--|---|
|   |                             |  |   |
|   | PER                         | RMIT TO DRILL  |   |
| WELL LOCATION: Sec: 16 Twp: 14N Rge: 10W  | County: CANADIAN            |  |   |
| SPOT LOCATION: NW NE NE NE  | FEET FROM QUARTER: FROM NOR |  |   |
| SPOT LOCATION. INV INE INE INE  | SECTION LINES: 207          | 630  |   |
| Lease Name: CROWDER BIA   | Well No: 1H-1               |  | Well will be 207 feet from nearest unit or lease boundary.  |
|   |                             |  |   |
| Operator CIMAREX ENERGY CO<br>Name:   | Te                          | elephone: 9185851100   | OTC/OCC Number: 21194 0   |
|   |                             |  |   |
| CIMAREX ENERGY CO   |                             | CAROL A  | DAMSON  |
| 202 S CHEYENNE AVE STE 1000   | 117 SOUTHWEST BLVD          |  |   |
| TULSA, OK   | 74103-3001                  | GEARY  | OK 73040  |
|   |                             | GLART  | OK 73040  |
| 2<br>3<br>4<br>5  |                             | 7<br>8<br>9<br>10  |   |
| Spacing Orders: 640590  | Location Exception Orders   | »:   | Increased Density Orders:   |
| Pending CD Numbers: 201804296<br>201804298  |                             |  | Special Orders:   |
| 201804297   |                             |  |   |
| 201804297<br>Total Depth: 21505 Ground Elevation: 141   | 0 Surface Casi              | ng: 350  | Depth to base of Treatable Water-Bearing FM: 120  |
|   |                             | <b>ng: 350</b><br>ly Well Drilled: No  | Depth to base of Treatable Water-Bearing FM: 120<br>Surface Water used to Drill: No                               |
| Total Depth: 21505 Ground Elevation: 141  |                             | ly Well Drilled: No  |   |
| Total Depth: 21505 Ground Elevation: 141<br>Under Federal Jurisdiction: Yes<br>PIT 1 INFORMATION<br>Type of Pit System: CLOSED Closed System Means St   | Fresh Water Suppl           | ly Well Drilled: No<br>Approved Method for   | Surface Water used to Drill: No disposal of Drilling Fluids:  |
| Total Depth: 21505 Ground Elevation: 141<br>Under Federal Jurisdiction: Yes<br>PIT 1 INFORMATION<br>Type of Pit System: CLOSED Closed System Means St<br>Type of Mud System: WATER BASED  | Fresh Water Suppl           | ly Well Drilled: No<br>Approved Method for<br>D. One time land app                               | Surface Water used to Drill: No<br>disposal of Drilling Fluids:<br>plication (REQUIRES PERMIT) PERMIT NO: 18-3420 |
| Total Depth: 21505 Ground Elevation: 141   Under Federal Jurisdiction: Yes   PIT 1 INFORMATION Type of Pit System: CLOSED Closed System Means St   Type of Mud System: WATER BASED   Chlorides Max: 10000 Average: 5000 Is depth to top of ground water greater than 10ft below bas   Within 1 mile of municipal water well? Y  | Fresh Water Suppl           | ly Well Drilled: No<br>Approved Method for<br>D. One time land app                               | Surface Water used to Drill: No disposal of Drilling Fluids:  |
| Total Depth: 21505 Ground Elevation: 141   Under Federal Jurisdiction: Yes   PIT 1 INFORMATION Type of Pit System: CLOSED Closed System Means St   Type of Mud System: WATER BASED   Chlorides Max: 10000 Average: 5000 Is depth to top of ground water greater than 10ft below bas   Within 1 mile of municipal water well? Y   Wellhead Protection Area? Y  | Fresh Water Suppl           | ly Well Drilled: No<br>Approved Method for<br>D. One time land app                               | Surface Water used to Drill: No<br>disposal of Drilling Fluids:<br>plication (REQUIRES PERMIT) PERMIT NO: 18-3420 |
| Total Depth: 21505 Ground Elevation: 141   Under Federal Jurisdiction: Yes   PIT 1 INFORMATION Type of Pit System: CLOSED Closed System Means St   Type of Mud System: WATER BASED   Chlorides Max: 10000 Average: 5000 Is depth to top of ground water greater than 10ft below bas   Within 1 mile of municipal water well? Y   Wellhead Protection Area? Y  | Fresh Water Suppl           | ly Well Drilled: No<br>Approved Method for<br>D. One time land app                               | Surface Water used to Drill: No<br>disposal of Drilling Fluids:<br>plication (REQUIRES PERMIT) PERMIT NO: 18-3420 |
| Total Depth: 21505 Ground Elevation: 141   Under Federal Jurisdiction: Yes   PIT 1 INFORMATION Type of Pit System: CLOSED Closed System Means St   Type of Mud System: WATER BASED   Chlorides Max: 10000 Average: 5000   Is depth to top of ground water greater than 10ft below bass   Within 1 mile of municipal water well? Y   Wellhead Protection Area? Y   Pit is located in a Hydrologically Sensitive Area.                    | Fresh Water Suppl           | ly Well Drilled: No<br>Approved Method for<br>D. One time land app                               | Surface Water used to Drill: No<br>disposal of Drilling Fluids:<br>plication (REQUIRES PERMIT) PERMIT NO: 18-3420 |
| Total Depth: 21505 Ground Elevation: 141   Under Federal Jurisdiction: Yes   PIT 1 INFORMATION Type of Pit System: CLOSED Closed System Means St   Type of Mud System: WATER BASED   Chlorides Max: 10000 Average: 5000 Is depth to top of ground water greater than 10ft below bass   Within 1 mile of municipal water well? Y   Wellhead Protection Area? Y   Pit is located in a Hydrologically Sensitive Area.   Category of Pit: C | Fresh Water Suppl           | ly Well Drilled: No<br>Approved Method for<br>D. One time land app                               | Surface Water used to Drill: No<br>disposal of Drilling Fluids:<br>plication (REQUIRES PERMIT) PERMIT NO: 18-3420 |

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.

## HORIZONTAL HOLE 1

CANADIAN Sec 21 Twp 14N Rge 10W County Spot Location of End Point: SW SE SE SE Feet From: SOUTH 1/4 Section Line: 150 Feet From: EAST 1/4 Section Line: 450 Depth of Deviation: 10121 Radius of Turn: 1100 Direction: 178 Total Length: 9656 Measured Total Depth: 21505 True Vertical Depth: 11483 End Point Location from Lease. Unit. or Property Line: 180 Notes: Description Category HYDRAULIC FRACTURING 7/10/2018 - 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 INTERMEDIATE CASING 7/10/2018 - 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 PENDING CD - 201804296 7/19/2018 - G57 - (640)(HOR) 16-14N-10W EXT 640590 MSSP POE TO BHL NLT 660' FB (COEXIST W/ SP. 514682 CSTR) REC 6-18-2018 (DUNN) PENDING CD - 201804297 7/19/2018 - G57 - (I.O.) 16 & 21-14N-10W EST MULTIUNIT HORIZONTAL WELL X201804296 MSSP 16-14N-10W X640590 MSSP 21-14N-10W 50% 16-14N-10W 50% 21-14N-10W CIMAREX ENERGY, CO. REC 6-18-2018 (DUNN) PENDING CD - 201804298 7/19/2018 - G57 - (I.O.) 16 & 21-14N-10W X201804296 MSSP 16-14N-10W X640590 MSSP 21-14N-10W COMPL. INT. (16-14N-10W) NCT 150' FNL, NCT 0' FSL, NCT 370' FEL COMPL. INT. (21-14N-10W) NCT 0' FNL, NCT 150' FSL, NCT 370' FEL NO OP. NAMED REC 6-18-2018 (DUNN) PUBLIC WATER SUPPLY WELL 7/10/2018 - G71 - GEARY - 1 PWS/WPA, NW/4 10-14N-10W SPACING - 640590 7/19/2018 - G57 - (640)(HOR) 21-14N-10W EST MSSP POE TO BHL NLT 660' FB (COEXIST W/ SPACING 202425 CSTR)

