

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

API NUMBER: 043 23642

Approval Date: 07/19/2018

Expiration Date: 01/19/2019

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 19N Rge: 17W

County: DEWEY

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 350 330

Lease Name: RANDI 18/7-19-17

Well No: 2H

Well will be 350 feet from nearest unit or lease boundary.

Operator Name: TAPSTONE ENERGY LLC

Telephone: 4057021600

OTC/OCC Number: 23467 0

TAPSTONE ENERGY LLC
100 E MAIN ST
OKLAHOMA CITY, OK 73104-2509

HEDGES LAND AND CATTLE, LLC
58331 S. CR 220
JERRY HEDGES, MANAGER
VICI OK 73859

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	11100	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 657193
651262
680256

Location Exception Orders: 680257

Increased Density Orders: 680254
680255

Pending CD Numbers:

Special Orders:

Total Depth: 21000

Ground Elevation: 1956

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 230

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

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 BED AQUIFER

Pit Location Formation: RUSH SPRINGS

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34803
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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

HORIZONTAL HOLE 1

Sec 07 Twp 19N Rge 17W County DEWEY

Spot Location of End Point: N2 N2 NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 10460

Radius of Turn: 650

Direction: 355

Total Length: 9519

Measured Total Depth: 21000

True Vertical Depth: 11100

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

Notes:

Category

Description

DEEP SURFACE CASING

7/9/2018 - 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

7/9/2018 - 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

INCREASED DENSITY - 680254

7/19/2018 - G58 - 18-19N-17W
X651262 MSSP
1 WELL
TAPSTONE ENERGY, LLC
7/16/2018

INCREASED DENSITY - 680255

7/19/2018 - G58 - 7-19N-17W
X657193 MSSP
1 WELL
TAPSTONE ENERGY, LLC
7/16/2018

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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.

043 23642 RANDI 18/7-19-17 2H

Category	Description
INTERMEDIATE CASING	7/9/2018 - 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
LOCATION EXCEPTION - 680257	7/19/2018 - G58 - (I.O.) 18 & 7-19N-17W X651262 MSSP 18-19N-17W X657193 MSSP 7-19N-17W COMPL. INT. (18-19N-17W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (7-19N-17W) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL TAPSTONE ENERGY, LLC 7/16/2018
MEMO	7/9/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 651262	7/19/2018 - G58 - (643.68)(IRR. UNIT) 18-19N-17W VAC 78413 MCSTR EST MSSP, OTHERS
SPACING - 657193	7/19/2018 - G58 - (642.4)(IRR. UNIT) 7-19N-17W VAC 85657 MCSTR EST MSSP, OTHERS
SPACING - 680256	7/19/2018 - G58 - (I.O.) 18 & 7-19N-17W EST MULTIUNIT HORIZONTAL WELL X651262 MSSP 18-19N-17W X657193 MSSP 7-19N-17W 50% 18-19N-17W 50% 7-19N-17W TAPSTONE ENERGY, LLC 7/16/2018

This permit does not address the right of entry or settlement of surface damages.

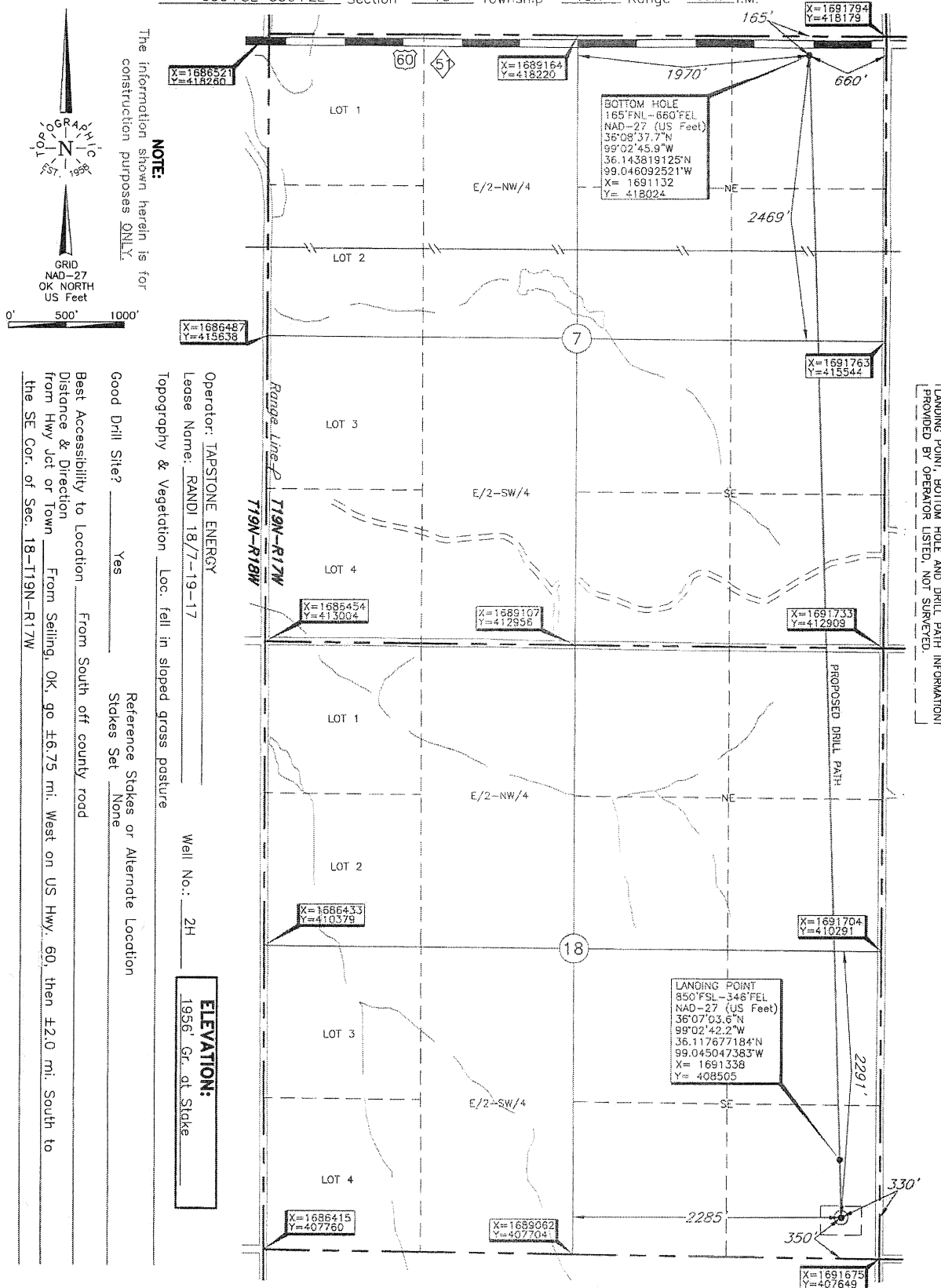
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043-23642

DEWEY County, Oklahoma

350'FSL-330'FEL Section 18 Township 19N Range 17W I.M.



DATUM: NAD-27
LAT: 36°06'58.7\"N
LONG: 99°02'42.0\"W
LAT: 36.116304340\"N
LONG: 99.044992517\"W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK NORTH
X: 1691349
Y: 408006

Date of Drawing: June 1, 2018
Invoice # 294942 Date Staked: May 30, 2018 TR

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

