API NUMBER: 087 22161

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: 07/23/2018 01/23/2019 Expiration Date:

PERMIT TO DRILL

WELL LOCATION:	Sec:	31	Twp:	7N	Rge:	3W	County:	MCCLAIN

SE FEET FROM QUARTER: SPOT LOCATION: SW Isw SE SOUTH FROM EAST SECTION LINES: 265 1005

Lease Name: KATMANDU Well No: 1-31H Well will be 265 feet from nearest unit or lease boundary.

ECHO E & P LLC Operator OTC/OCC Number: Telephone: 4057534232 23925 0 Name:

ECHO E & P LLC

3817 NW EXPRESSWAY STE 840

OKLAHOMA CITY. OK 73112-1400 THOMAS A CALVERT

18067 SH 39

PURCELL OK 73080

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

	Name	Depth	Name	Depth
1	WOODFORD	9750 6		
2		7		
3		8		
4		9		
5		10		
Spacing Orders:	680031	Location Exception Orders:	Increased Density O	rders:

Total Depth: 15000 Ground Elevation: 1182 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 200

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

Approved Method for disposal of Drilling Fluids: PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits Type of Mud System: WATER BASED

201802398

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?

located in a Hydrologically Sensitive Area.

Category of Pit: C

Pending CD Numbers:

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Special Orders:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34926

H. SEE MEMO

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 31 Twp 7N Rge 3W County MCCLAIN

Spot Location of End Point: NW NW NW NE
Feet From: NORTH 1/4 Section Line: 165
Feet From: EAST 1/4 Section Line: 2364

Depth of Deviation: 9177 Radius of Turn: 981 Direction: 350

Total Length: 4282

Measured Total Depth: 15000

True Vertical Depth: 9750

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

Notes:

MEMO

Category Description

DEEP SURFACE CASING 7/17/2018 - 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 7/17/2018 - 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 7/17/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 -

OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201802398 7/20/2018 - G58 - 31-7N-3W

X680031 WDFD 5 WELLS NO OP. NAMED

REC 6/6/2018 (M. PORTER)

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.

Description Category

7/20/2018 - G58 - (640)(HOR) 31-7N-3W VAC OTHERS **SPACING - 680031**

EXT 651990 WDFD, OTHER

COMPL. INT. NLT 165' FNL & FSL, NLT 330' FEL & FWL

(EXIST CONCURRENTLY WITH NON-HORIZONTAL DRILLING AND SPACING UNITS)

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 MCCLAIN 087-22161 County, Oklahoma 265'FSL - 1005'FEL 3W__I.M. 31 7Ń _ Range Section _ Township X= 2132916 Y= 622899 X= 2130391 Y= 622884 X= 2135560 Y= 622915 165' The BOTTOM HOLE 2364' construction purposes information shown herein 165'FNL-2364'FEL NAD-27 (US Feet) 35'02'37.4"N 97'33'18.1"W LOT 1 35.043726831°N 2483 97.555027999°W X= 2133197 Y= 622736 E/2-NW/4 œ. LOT 2 ð X= 2135563 Y= 620267 31 X= 2130397 Y= 620236 PROPOSED LOT 3 DRILL E/2-SW/4 2383 LANDING POINT 850'FSL-2364'FEL NAD-27 (US Feet) 35'01'55.1"N 97'33'18.3"W 35.031962039'N LANDING POINT LOT 4 97.555076704°W GRID X= 2133201 Y= 618454 NAD-27 OK SOUTH US Feet X= 2132927 Y= 617602 500 1000 Township Line-P 265' LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED. Operator: ECHO E&P LLC. **ELEVATION:** Lease Name: KATMANDU Well No.: _1-31H 1<u>182' Gr. on pad</u> Topography & Vegetation <u>Loc. fell on level pad under construction</u> Reference Stakes or Alternate Location Yes Good Drill Site? Stakes Set None From South off county road. Best Accessibility to Location ____ Distance & Direction From Jct. of St. Hwy. 39 and St. Hwy. 59, go ±1.0 mi, North, then ±1.0 mi. East from Hwy Jct or Town to the SE Cor. of Sec. 31-T7N-R3W. Date of Drawing: __Jul. 02, 2018 Invoice # 295473 Date Staked: Jul. 02, 2018 DATUM: NAD-27 LAT: 35°01'49.3"N LONG: 97'33'02.0"W **CERTIFICATE:** CENSED LAT: 35.030361596° N SURV, Dan W. Rogers __an Oklahoma Licensed Land LONG: 97.550543643° W Surveyor and an authorized agent of Topographic Land 1200 STATE PLANE Surveyors of Oklahoma, do hereby certify to the COORDINATES: (US Feet) information shown herein ZONE: OK SOUTH TLAHOMA DE OKLAHOM X: 2134561 Y: 617878 Oklahoma Lic. No.