

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

API NUMBER: 093 25139

Approval Date: 05/11/2018

Expiration Date: 11/11/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 22N Rge: 13W County: MAJOR

SPOT LOCATION: ☐ NW ☐ NE ☐ NE ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 320 380

Lease Name: SUTTER Well No: 3-30H Well will be 320 feet from nearest unit or lease boundary.

Operator Name: FAIRWAY RESOURCES OPERATING III LLC

Telephone: 8176010628

OTC/OCC Number: 23943 0

FAIRWAY RESOURCES OPERATING III LLC
538 SILICON DR STE 101
SOUTHLAKE, TX 76092-7517

THE ESTS OF J EDWARD, C/O CHRIS ADAMS
114 N 3RD
CLEO SPRINGS OK 73729

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

Name	Depth	Name	Depth
1 MISSISSIPPI SOLID	7570	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 676223
78330

Location Exception Orders: 675657

Increased Density Orders: 667532

Pending CD Numbers:

Special Orders:

Total Depth: 13000

Ground Elevation: 1336

Surface Casing: 900

Depth to base of Treatable Water-Bearing FM: 490

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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: 55000 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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: FLOWERPOT

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 18-34488

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: FLOWERPOT

HORIZONTAL HOLE 1

Sec 30 Twp 22N Rge 13W County MAJOR

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 150

Feet From: EAST 1/4 Section Line: 380

Depth of Deviation: 6829

Radius of Turn: 500

Direction: 360

Total Length: 5500

Measured Total Depth: 13000

True Vertical Depth: 7570

End Point Location from Lease,
Unit, or Property Line: 150

Notes:

Category

Description

DEEP SURFACE CASING

5/10/2018 - 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

EXCEPTION TO RULE - 676223

5/11/2018 - G58 - (I.O.) 30-22N-13W
X165:10-3-28(C)(2)(B) MSSSD (SUTTER 3-30H)
NO CLOSER THAN 200 FEET FROM THE EDWARD SUTTER 1 WELL
4-12-2018

HYDRAULIC FRACTURING

5/10/2018 - 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: OCCWEB.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 - 667532

5/11/2018 - G58 - (I.O.) 30-22N-13W
X78330 MSSSD
1 WELL
FAIRWAY RESOURCES OPERATING II, LLC.
8-28-2017

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

093 25139 SUTTER 3-30H

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
LOCATION EXCEPTION - 675657	5/11/2018 - G58 - (I.O.) 30-22N-13W X78330 MSSSD COMPL. INT. NCT 150' FSL, NCT 150' FNL, NCT 330' FEL FAIRWAY RESOURCES OPERATING III, LLC. 4-2-2018
MEMO	5/10/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 78330	5/11/2018 - G58 - (640) 30-22N-13W EST MSSSD

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

MAJOR

County, Oklahoma

093-25139

320'FNL - 380'FEL Section 31 Township 22N Range 13W I.M.

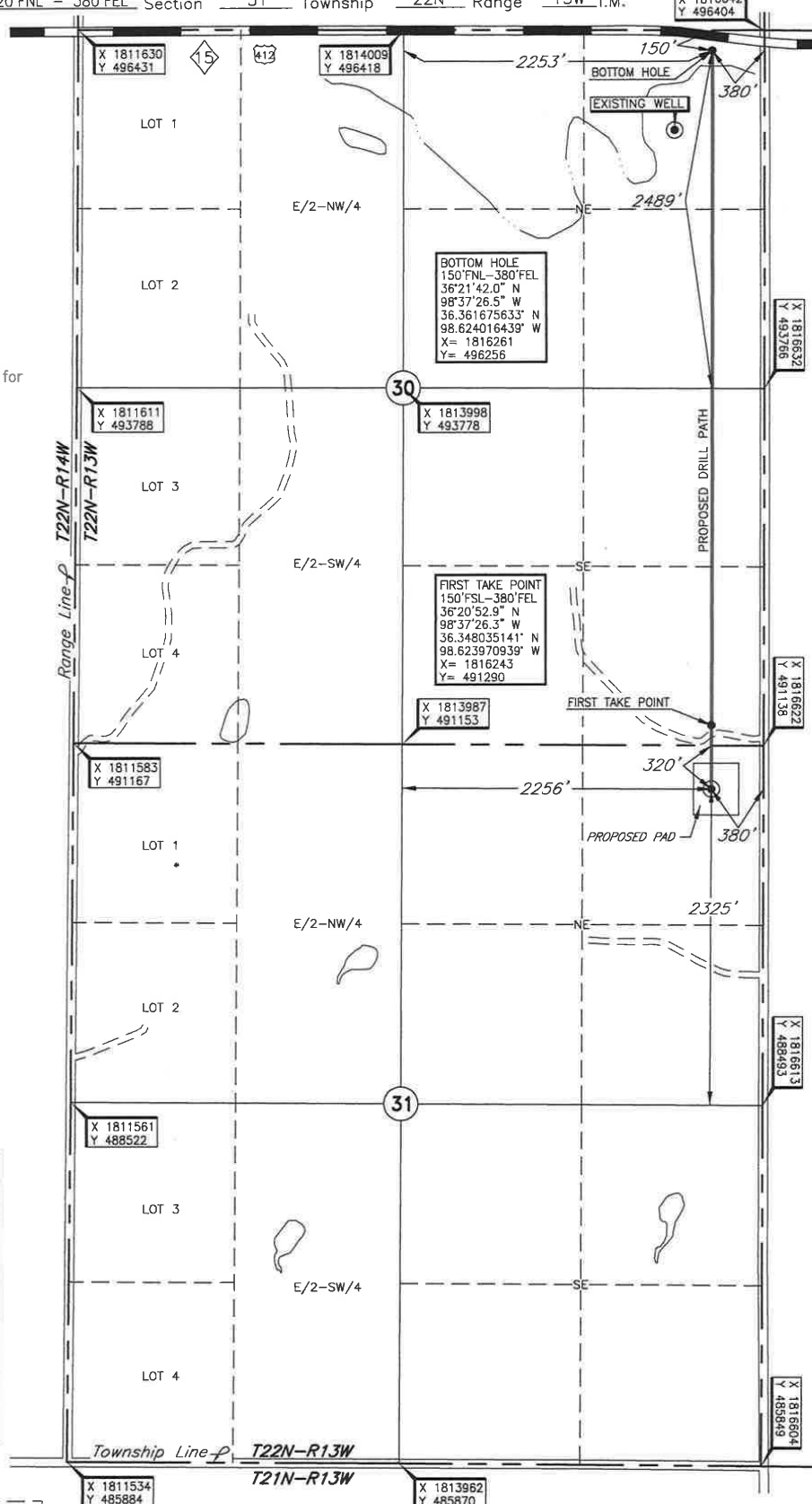


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-NOTE-

The information shown herein is for construction purposes ONLY.

Operator: FAIRWAY RESOURCES
Lease Name: SUTTER
Topography & Vegetation: Location fell in gross pasture
Good Drill Site? Yes
Best Accessibility to Location: From East off county road
Distance & Direction: From Jct of US Highway 412 & State Highway 8, North of Fairview, OK, go ±8.0 miles West on US Highway 412, then ±1.0 mile South to the NE Corner of Section 31-T22N-R13W.
Reference Stakes or Alternate Location: Stakes Set None
Well No.: 3-30H
ELEVATION: 1336 Gr. at Stake (NGVD 29)



FIRST TAKE POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

DATUM: NAD-27
LAT: 36°20'48.3" N
LONG: 98°37'26.3" W
LAT: 36.346743851° N
LONG: 98.623966185° W
STATE PLANE COORDINATES: (US Feet)
ZONE: OK NORTH
X: 1816241
Y: 490820

Date of Drawing: February 27, 2018
Invoice # 289301 Date Staked: February 23, 2018 JP

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

