

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

API NUMBER: 051 24349

Approval Date: 05/10/2018

Expiration Date: 11/10/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 10N Rge: 8W

County: GRADY

SPOT LOCATION: ☐ NW ☐ NW ☐ NE ☐ NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 280 1327

Lease Name: CHESTNUT 26-10-8

Well No: 1H

Well will be 280 feet from nearest unit or lease boundary.

Operator Name: JONES ENERGY LLC

Telephone: 5123282953

OTC/OCC Number: 21043 0

JONES ENERGY LLC  
807 LAS CIMAS PKWY STE 350  
AUSTIN, TX 78746-6193

MAURICE D. MILLER  
TRUSTEE OF MAURICE D. MILLER TRUST  
3213 BROOKRIDGE  
CHICKASHA OK 73018

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	11720	6	
2	WOODFORD	12770	7	
3	HUNTON	12910	8	
4			9	
5			10	

Spacing Orders: 654836

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201803556

Special Orders:

Total Depth: 17419

Ground Elevation: 1385

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 300

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: 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? 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: MARLOW

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

PERMIT NO: 18-34178

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: MARLOW

HORIZONTAL HOLE 1

Sec 26 Twp 10N Rge 8W County GRADY

Spot Location of End Point: S2 SW SW SW

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 11573

Radius of Turn: 573

Direction: 185

Total Length: 4945

Measured Total Depth: 17419

True Vertical Depth: 12910

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

Notes:

Category

Description

DEEP SURFACE CASING

4/27/2018 - 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

4/27/2018 - 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](http://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](http://FRACFOCUS.ORG)

MEMO

4/27/2018 - 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.

051 24349 CHESTNUT 26-10-8 1H

Category	Description
PENDING CD - 201803556	<p>5/9/2018 - G57 - (E.O.) 26-10N-8W  X654836 MSSP, WDFD, HNTN  SHL NCT 250' FNL, NCT 1000' FWL **  COMPL. INT. NCT 165' FNL &amp; FSL, NCT 330' FWL  JONES ENERGY, LLC.  REC 5-8-2018 (MILLER)</p> <p>**S/B 280' FNL, 1327' FWL; WILL BE CORRECTED AT THE HEARING FOR THE FINAL ORDER PER OPERATOR</p>
SPACING - 654836	<p>4/30/2018 - G57 - (640)(HOR) 26-10N-8W  EST MSSP, WDFD, HNTN  POE TO BHL (MSSP, HNTN) NLT 660' FB  POE TO BHL (WDFD) NLT 165' FNL &amp; FSL, NLT 330' FEL &amp; FWL  (COEXIST WITH SP. ORDER 98732/107705 MSSLM, CSTR &amp; ORDER 101031 HNTN)</p>

# JONES Well Location Plat

Sec. 26-10N-8W I.M.

Operator: JONES ENERGY, LTD.

API: 051 24349

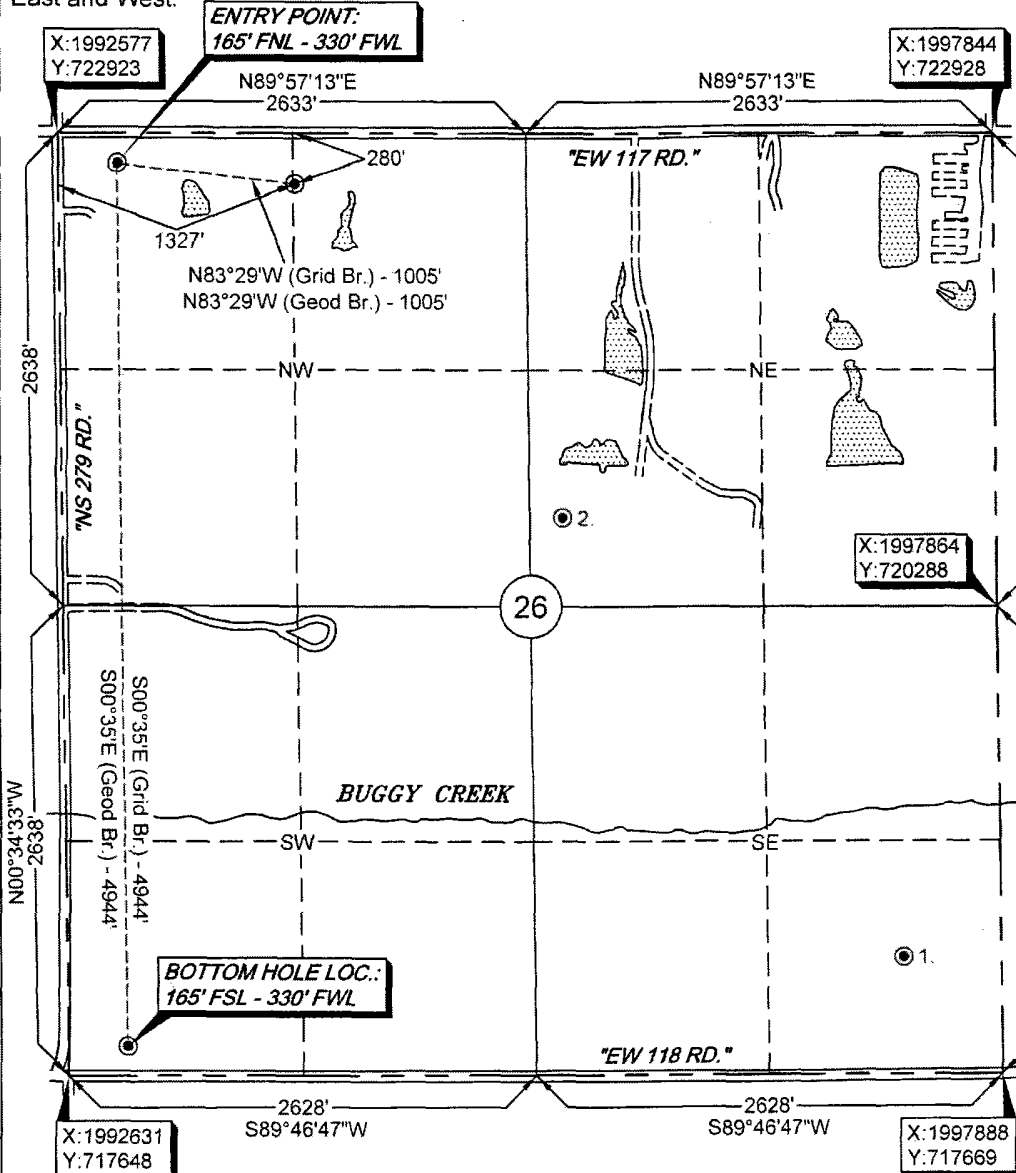
Lease Name and No.: CHESTNUT 26-10-8 1H

Footage: 280' FNL - 1327' FWL Gr. Elevation: 1385'

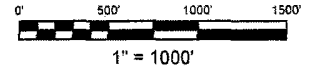
Section: 26 Township: 10N Range: 8W I.M.

County: Grady State of Oklahoma

Terrain at Loc.: Location fell in wide open hay field with elevation dropping off to the East and West.



All bearings shown are geodetic bearings unless noted.



GPS DATUM  
NAD 27  
OK SOUTH ZONE

Surface Hole Loc.:  
Lat: 35°19'08.49"N  
Lon: 98°01'13.52"W  
X: 1993907  
Y: 722645

Entry Point:  
Lat: 35°19'09.62"N  
Lon: 98°01'25.56"W  
X: 1992909  
Y: 722759

Bottom Hole Loc.:  
Lat: 35°18'20.72"N  
Lon: 98°01'24.94"W  
X: 1992960  
Y: 717814

Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor. The accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS. NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey. Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

## SECTION 26-10N-8W

1. NATOMAS NORTH AMERICA  
CHARLTON 1  
660' FSL - 2080' FWL (SE/4)  
OCC STATUS: PA

2. CHESAPEAKE OPERATING LLC  
BECKER 1-26  
495' FSL - 185' FWL (NE/4)  
OCC STATUS: PA

Survey and plat by:  
Arkoma Surveying and Mapping, PLLC  
P.O. Box 238 Wilburton, OK 74578  
Ph. 918-465-5711 Fax 918-465-5030  
Certificate of Authorization No. 5349  
Expires June 30, 2018

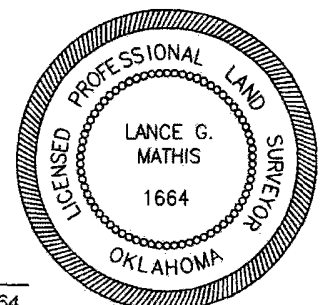
### Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

*Lance G. Mathis*  
LANCE G. MATHIS

12/11/17

OK LPLS 1664



Invoice #7511

Date Staked: 11/29/17 By: J.L.  
Date Drawn: 12/04/17 By: C.K.