

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

API NUMBER: 137 27528

Approval Date: 02/02/2018

Expiration Date: 08/02/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 19 Twp: 1N Rge: 4W

County: STEPHENS

SPOT LOCATION: ☐ NE ☐ SW ☐ SE ☐ SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 350 720

Lease Name: ELY

Well No: 0104 6H-18X

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

Operator Name: NEWFIELD EXPLORATION MID-CON INC

Telephone: 2816742521; 9188781

OTC/OCC Number: 20944 0

NEWFIELD EXPLORATION MID-CON INC  
24 WATERWAY AVE STE 900  
THE WOODLANDS, TX 77380-2764

MARY ALICE BELYEU  
9713 WINTER PK DR.,  
FRISCO TX 75035

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

Name	Depth	Name	Depth
1 WOODFORD	10200	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 642263

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201707774  
201707775  
201707762  
201707765  
201707782

Special Orders:

Total Depth: 21692

Ground Elevation: 1019

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 570

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: AIR

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: 4

Liner not required for Category: 4

Pit Location is BED AQUIFER

Pit Location Formation: PURCELL

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

F. Haul to Commercial soil farming facility: Sec. 28 Twn. 2N Rng. 4W Cnty. 137 Order No: 665063

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: 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: PURCELL

PIT 3 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: PURCELL

HORIZONTAL HOLE 1

Sec 18 Twp 1N Rge 4W County STEPHENS

Spot Location of End Point: NW NE NW NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 1680

Depth of Deviation: 9800

Radius of Turn: 987

Direction: 356

Total Length: 10342

Measured Total Depth: 21692

True Vertical Depth: 11239

End Point Location from Lease,

Unit, or Property Line: 50

Additional Surface Owner	Address	City, State, Zip
JUNITA JEAN KAUBLE	9713 WINTER PK DR.,	FRISCO, TX 75035
WANDA DARLENE SCOTT	9713 WINTER PK DR.,	FRISCO, TX 75035
LEE R. WADE	9713 WINTER PK DR.	FRISCO, TX 75035

Notes:

Category

Description

DEEP SURFACE CASING

1/4/2018 - 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

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

137 27528 ELY 0104 6H-18X

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
HYDRAULIC FRACTURING	<p>1/4/2018 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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: <a href="http://OCCWEB.COM/OG/OGFORMS.HTML">OCCWEB.COM/OG/OGFORMS.HTML</a>; AND,</p> <p>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: <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
MEMO	<p>1/4/2018 - G71 - PIT 2 &amp; 3 - CLOSED SYSTEM = STEEL PITS PER OPERATOR REQUEST, WBM &amp; OBM CUTTINGS CAPTURED IN STEEL HALF PITS &amp; TRANSFERRED TO BACKYARD ENERGY SERVICES SOUTH SCOOP FACILITY (SE4 28-2N-4W, STEPHENS CO.); PIT 3 - OBM TO VENDOR</p>
PENDING CD - 201707762	<p>1/5/2018 - G60 - (E.O.) 18-1N-4W X642263 WDFD 7 WELLS NEWFIELD EXPLORATION MID-CONTINENT INC. REC. 12/12/17 (DUNN)</p>
PENDING CD - 201707765	<p>1/5/2018 - G60 - (E.O.) 19-1N-4W X642263 WDFD 8 WELLS NEWFIELD EXPLORATION MID-CONTINENT INC. REC. 12/12/17 (DUNN)</p>
PENDING CD - 201707774	<p>1/5/2018 - G60 - (E.O.) 18 &amp; 19-1N-4W EST MULTIUNIT HORIZONTAL WELL X642263 MSSP, WDFD 50% 18-1N-4W 50% 19-1N-4W NEWFIELD EXPLORATION MID-CONTINENT INC. REC. 2/2/18 (DUNN)</p>
PENDING CD - 201707775	<p>1/5/2018 - G60 - (E.O.) 18 &amp; 19-1N-4W X642263 WDFD SHL SE4 19 COMPL. INT. (19-1N-4W) NCT 165' FSL, NT 0' FNL, NCT 1320' FEL COMPL. INT. (18-1N-4W) NCT 0' FSL, NCT 165' FNL, NCT 1320' FEL NEWFIELD EXPLORATION MID-CONTINENT INC. REC. 2/2/18 (DUNN)</p>
PENDING CD - 201707782	<p>1/5/2018 - G60 - (E.O.) 18 &amp; 19-1N-4W X165:10-3-28(C)(2)(B) MSSP, WDFD MAY BE CLOSER THAN 600' TO ANY PROPOSED WELL OR THE GANT 1-19 NEWFIELD EXPLORATION MID-CONTINENT INC. REC. 1/2/18 (DUNN)</p>
SPACING - 642263	<p>1/5/2018 - G60 - (640) 18 &amp; 19-11-4W EST WDFD, OTHERS COMPL. INT. (WDFD) NLT 165' FNL/FSL, NLT 330' FEL/FWL (COEXIST WITH SP. ORDER 297379 WDFD 18; SP. ORDER 440390 WDFD 19; SP. ORDER 441878 WDFD 19)</p>

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.

3513727528

**PERMIT PLAT**

M & M Land Surveying, Inc.  
 Phone (580) 226-0446  
 520 E Street N.W.  
 Ardmore, OK 73401

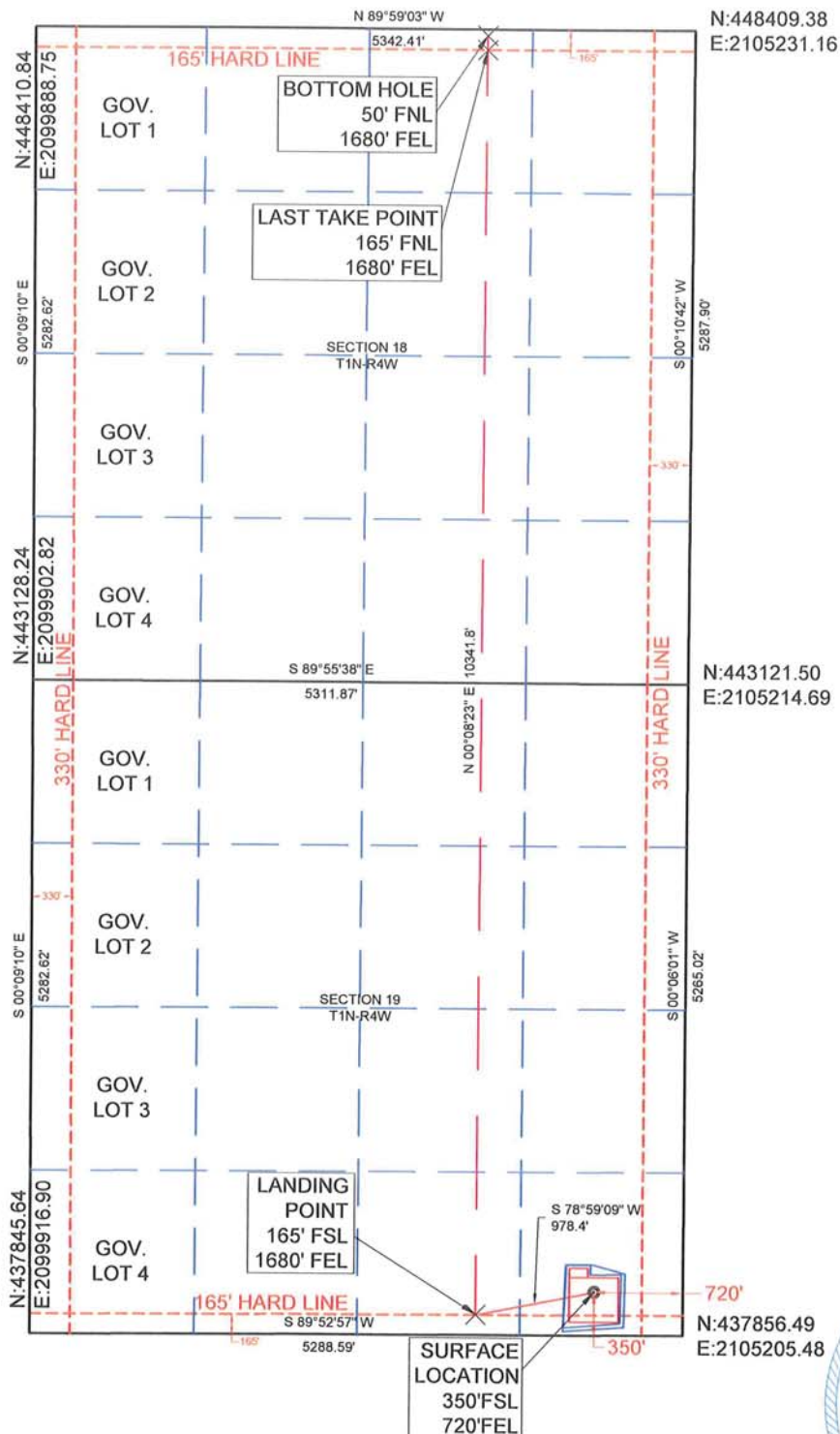
Company Name: **NEWFIELD EXPLORATION MID-CONTINENT INC.**

Lease Name: **ELY 0104 6H-18X**

Section 19 Township 1 N Range 4 W, I.B.M., County of Stephens, State of Oklahoma

Original Location: 350'FSL - 720'FEL Elevation 1019' GROUND Good Location? YES

Distance & Direction From Nearest Town: 5.3 miles North of Velma.

**SURFACE LOCATION**

DATUM: NAD27

LAT: 34° 32' 13.19"N

LONG: 97° 39' 11.02"W

LAT: 34.536997°N

LONG: 97.653061°W

STATE PLANE

COORDINATES: (US

SURVEY FEET)

ZONE: SOUTH ZONE

Y (N): 438204.88

X (E): 2104486.16

DATUM: NAD83

LAT: 34° 32' 13.48"N

LONG: 97° 39' 12.13"W

LAT: 34.537079°N

LONG: 97.653368°W

STATE PLANE

COORDINATES: (US

SURVEY FEET)

ZONE: SOUTH ZONE

Y (N): 438247.03

X (E): 2072891.01

DATA DERIVED FROM

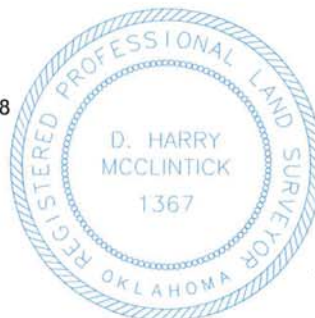
G.P.S. WITH O.P.U.S.

DATA.

This location has been staked according to the best official survey records available to us. The metrical data shown hereon is for permitting the well location and the section location may or may not be field verified. Please review this plat and notify us immediately of any discrepancy.

**CERTIFICATE:**

I D. Harry McClintick a Registered Land Surveyor in the State Of Oklahoma, do hereby certify that the above described Well Location was surveyed and staked on the ground as shown and that said plat meets or exceeds the Oklahoma Minimum Technical Standards for the practice of land surveying as adopted by the Oklahoma State Board of Licensure for Professional Engineers and Land Surveyors.



*D. Harry McClintick* 11/27/17  
 D. Harry McClintick  
 PLS. No.1367 CFEDS

SURVEY BY: M & M Land Surveying, Inc. ~ C.A. No. 3093 (LS)	
DRAWING BY: Bennett-Morris And Associates Land Surveying, P.C.	
© COPYRIGHT 2017 C.A. No. 5975 (LS) ~ Aaron L. Morris, RPLS	
PROJECT NUMBER: 17453	SITE VISIT: (Explanation and Date)
SHEET: 6 OF 10	STAKING DATE: 11/09/2017
	DRAWING DATE: 11/15/2017

**NEWFIELD**



**Newfield Exploration Company**

24 Waterway Avenue | Suite 900

The Woodlands, Texas 77380

October 19, 2017

Oklahoma Corporation Commission  
Tim Baker, Director of the Oil and Gas  
Conservation Division  
2101 N. Lincoln Blvd  
Oklahoma City, Oklahoma 73105

*RE: Cause PD. No. 201700132, Backyard Energy Services, LLC Oil Based Drill Cuttings  
Treatment Pilot Project, State of Oklahoma*

Dear Mr. Baker:

Please be advised that Newfield Exploration Mid-Con, Inc. (Newfield) understands and agrees it will be the sole operator under a Commission pilot project which will allow Backyard Energy Services, LLC to process Newfield's oil based drill cuttings using the process and requirements outlined in the amended application filed in Cause PD No. 201700132. The results of the processing will be a material that will be used in the construction of Newfield's drill sites.

Newfield further understands the initial pilot project will be for a period of ninety (90) days, or until such time as an order issues if the above referenced cause.

If there are further questions, please do not hesitate to contact Evelyn Smith at (281)674-2521.

Sincerely,

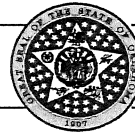
Matt Cooley  
Drilling Manager

OKLAHOMA  
**CORPORATION COMMISSION**  
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253 Jim Thorpe Building  
Telephone: (405) 521-2240  
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[www.occeweb.com](http://www.occeweb.com)

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**OIL & GAS CONSERVATION DIVISION**



**Tim Baker, Director**

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3513727528

January 30, 2018

Backyard Energy Services  
Conor O'Reilly  
1601 NW Expressway  
Suite 1450  
Oklahoma City, OK 73118

Re: Backyard Energy Services, Oil Based Drill Cuttings Treatment Process  
Pilot Project

Dear Mr. O'Reilly:

I am in receipt of the letter from Newfield Exploration Company in which they desire to continue the pilot project using your drilling solids treatment process for drill pad sites. This letter is to authorize the treatment process for an additional 90 days until April 30<sup>th</sup> or until a final order issues in PD.201700132.

All terms and conditions set forth in the November 3<sup>rd</sup>, 2017 letter will remain in affect.

If you have any questions, please feel free to contact me.

Sincerely,

Tim Baker  
Director, OGCD

C: Mike Moore, Terri Grooms, Brad Ice, Gayland Darity, Grant Ellis, Susan Conrad, Cheri Wheeler