API NUMBER: 073 26009

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: 04/17/2018
Expiration Date: 10/17/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 19 Twp: 19N Rge: 6W County: KINGFISHER

SPOT LOCATION: SW SE SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: **240 765**

Lease Name: EAST HENNESSEY UNIT Well No: 259H Well will be 765 feet from nearest unit or lease boundary.

Operator HINKLE OIL & GAS INC Telephone: 4058480924 OTC/OCC Number: 21639 0

HINKLE OIL & GAS INC 5600 N MAY AVE STE 295

OKLAHOMA CITY, OK 73112-4275

JEAN MERRITT CASEY FARMS LLC

P.O. BOX 185

HENNESSEY OK 73742

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

Name Depth Name Depth MISSISSIPPIAN SOLID 1 8000 6 2 7 3 8 4 9 10 61709 Spacing Orders: Location Exception Orders: Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 13234 Ground Elevation: 1154 Surface Casing: 500 Depth to base of Treatable Water-Bearing FM: 50

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: 4000 Average: 1800

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 AP/TE DEPOSIT
Pit Location Formation: TERRACE

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34258

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

HORIZONTAL HOLE 1

Sec 30 Twp 19N Rge 6W County KINGFISHER

Spot Location of End Point: SW SW SW SW

Feet From: SOUTH 1/4 Section Line: 1
Feet From: WEST 1/4 Section Line: 190

Depth of Deviation: 7110
Radius of Turn: 573
Direction: 185
Total Length: 5224

Measured Total Depth: 13234

True Vertical Depth: 8000

End Point Location from Lease,
Unit, or Property Line: 190

Notes:

Category Description

DEEP SURFACE CASING 4/11/2018 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS

OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR

SURFACE CASING

HYDRAULIC FRACTURING 4/11/2018 - 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

SPACING - 61709 4/17/2018 - G75 - (UNIT) 19, 30 & 31-19N-6W

EST EAST HENNESSEY UNIT FOR MSSSD, OTHERS

