

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

API NUMBER: 043 23668

Approval Date: 11/20/2018

Expiration Date: 05/20/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 28 Twp: 19N Rge: 17W

County: DEWEY

SPOT LOCATION: ☐ SE ☐ SW ☐ SE ☐ SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 300 695

Lease Name: BROCK 28-19-17

Well No: 1H

Well will be 300 feet from nearest unit or lease boundary.

Operator Name: TAPSTONE ENERGY LLC

Telephone: 4057021600

OTC/OCC Number: 23467 0

TAPSTONE ENERGY LLC
100 E MAIN ST
OKLAHOMA CITY, OK 73104-2509

RUSSELL CARTER & DAVA CARTER
59095 US HWY. 183
SEILING OK 73663

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	12000	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 666118

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201808875
201808874

Special Orders:

Total Depth: 16500

Ground Elevation: 1924

Surface Casing: 420

Depth to base of Treatable Water-Bearing FM: 270

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: 8000 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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

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

PERMIT NO: 18-35761

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: RUSH SPRINGS

HORIZONTAL HOLE 1

Sec 28 Twp 19N Rge 17W County DEWEY

Spot Location of End Point: NE NW NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 695

Depth of Deviation: 11396

Radius of Turn: 477

Direction: 360

Total Length: 4355

Measured Total Depth: 16500

True Vertical Depth: 12000

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

Notes:

Category

Description

HYDRAULIC FRACTURING

11/9/2018 - 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

INTERMEDIATE CASING

11/9/2018 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES

MEMO

11/9/2018 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201808874

11/13/2018 - G75 - 28-19N-17W
X666118 MSSP
2 WELLS
NO OP. NAMED
REC 11-20-2018 (FOREMAN)

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

043 23668 BROCK 28-19-17 1H

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
PENDING CD - 201808875	11/13/2018 - G75 - (E.O.) 28-19N-17W X666118 MSSP COMPL. INT. NCT 150' FSL, NCT 150' FNL, NCT 330' FEL TAPSTONE ENERGY, LLC REC 11-20-2018 (MINMIER)
SPACING - 666118	11/13/2018 - G75 - (640)(HOR) 28-19N-17W VAC 78413 MCSTR VAC 217107 MSSLM, OTHER EST OTHER EXT 658913 MSSP, OTHER POE TO BHL NCT 660' FB

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.

DEWEY

DEWEY County, Oklahoma
300' FSL - 695' FEL Section 28 Township 19N Range 17W I.M.

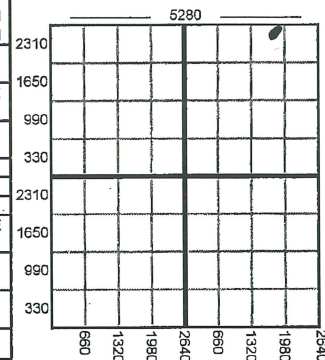


25.2. PIT INFORMATION:

A. TYPE OF MUD SYSTEM: WATER BASED ☐ OIL BASED ☒ GAS BASED (AIR DRILL) ☐
 B. EXPECTED MUD CHLORIDE CONTENT: maximum: 300,000 ppm; average: 200,000 ppm.
 PIT #2 C. TYPE OF PIT SYSTEM: on-site ☐ off-site ☒ closed ☐ If off-site, specify location: _____
 D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? ☒ Y ☐ N
 E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? ☐ Y ☒ N
 F. WELLHEAD PROTECTION AREA? ☐ Y ☒ N Off-Site Pit No. _____

26.2. OCC USE ONLY A. CATEGORY 1A 1B 2 3 4 C Fm: Rush Springs
 B. PIT LOCATION: Alluvial Plain ☐ Terrace Deposit ☐ Bedrock Aquifer ☒ Other H.S.A. ☐ Non-H.S.A. ☐
 C. Special area or field rule? ☐ D. DEEP SCA? ☐ Y ☒ N E. CBL? ☐ Y ☒ N
 F. SOIL COMPACTED LINER REQUIRED? ☐ Y ☒ N G. 20 mil GEOMEMBRANE LINER REQUIRED ☐ Y ☒ N
 29. Bottom Hole Location SEC 28 TWP 19N RGE 17W COUNTY Dewey
 for Directional Hole: SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from NORTH LINE from EAST LINE
 SECTION LINES: Measured Total True Vertical BHL from nearest Lease, Unit, Or Property Line:
 Depth Depth
 30. Bottom Hole Location for Horizontal Hole: (LATERALS)
 LATERAL #1: SEC 28 TWP 19N RGE 17W COUNTY Dewey
 SPOT LOCATION: NE 1/4 NW 1/4 NE 1/4 NE 1/4 FEET FROM QUARTER from NORTH LINE from EAST LINE
 SECTION LINES: Depth of Deviation Radius of Turn Direction Total Length
11396 477 360 4355
 Measured Total True Vertical End Point location from nearest lease, unit
 Depth Depth or property line: 16500 12000 165
 LATERAL #2: SEC TWP RGE COUNTY
 SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: Depth of Deviation Radius of Turn Direction Total Length
 Measured Total True Vertical End Point location from nearest lease, unit
 Depth Depth or property line:
 LATERAL #3: SEC TWP RGE COUNTY
 SPOT LOCATION: 1/4 1/4 1/4 1/4 FEET FROM QUARTER from SOUTH LINE from WEST LINE
 SECTION LINES: Depth of Deviation Radius of Turn Direction Total Length
 Measured Total True Vertical End Point location from nearest lease, unit
 Depth Depth or property line:

28. Locate Bottom Hole



1. If more than two drainholes are proposed, attach separate sheet indicating the necessary information.
2. Direction must be stated in degrees azimuth.
3. Please note the horizontal drainhole and its end point must be located within the legal boundaries of the lease or spacing unit. Directional surveys are required for all drainholes and directional wells.

31. AFFIDAVIT FOR ALTERNATIVE CASING PROGRAM

(Signature on front of this form attests to this affidavit)

1. This well ☐ WILL ☐ WILL NOT penetrate any known lost circulation zones.
2. During the drilling of this well, withdrawals from any water well within 1/4 mile ☐ WILL ☐ WILL NOT exceed 50 gallons per minute.
3. The projected depth of the well ☐ IS ☐ IS NOT less than 100 feet from the top of any enhanced recovery project or gas storage facility.
4. List the following for all water wells within 1/4 mile of this well. (Information concerning some water wells may be obtained from the OKLAHOMA WATER RESOURCES BOARD, 3800 N. Classen Blvd., Oklahoma City, OK 73118). IF NO WATER WELLS FOUND, SO STATE. (ATTACH ADDITIONAL SHEET IF NECESSARY)

Name of Owner/Operator	Address of Owner/Operator	Location (Nearest 1/4 1/4 1/4 1/4)	Depth of Well

5. A cement bond log is required to be run and submitted from not less than 100 feet below the base of the treatable water-bearing formation to the surface. OCC USE ONLY
6. If casing depth is more than 250 feet deeper than base of the treatable water-bearing formation, operator must submit a letter of request listing reasons and precautions to be taken.

SURETY:		INTENT TO DRILL CHECKLIST -- OCC USE ONLY		GEOLOGY:	
APPROVED	REJECTED	A. NONE filed.		APPROVED	REJECTED
		B. EXPIRED Date ➡			
		C. OUTSTANDING CONTEMPT ORDER			

OCC FEE SCHEDULE EFFECTIVE 10-1-2018

(mark only <u>ONE</u> of the check-boxes) <input type="checkbox"/>	NORMAL OAC 165:5-3-1 (b)(1)(I)(i-iv)	EXPEDITED OAC 165:5-3-1 (b)(1)(J)(i-iv)	TEMPORARY OAC 165:5-3-1 (b)(1)(K)(i-iv)
DIRECTIONAL WELL	\$350 <input type="checkbox"/> check box	\$600 <input type="checkbox"/> check box	\$350 <input type="checkbox"/> check box
VERTICAL WELL	\$350 <input type="checkbox"/> check box	\$600 <input type="checkbox"/> check box	\$350 <input type="checkbox"/> check box
HORIZONTAL WELL	\$400 <input type="checkbox"/> check box	\$600 <input checked="" type="checkbox"/> check box	\$350 <input type="checkbox"/> check box
MULTIUNIT WELL	\$600 <input type="checkbox"/> check box	\$800 <input type="checkbox"/> check box	\$350 <input type="checkbox"/> check box

OKLAHOMA CITY MAILING ADDRESS:

Oklahoma Corporation Commission
 Attention: Central Processing
 P.O. Box 52000
 Oklahoma City, OK 73152-2000

HAND-DELIVERY STREET ADDRESS:

The Jim Thorpe Office Building
 (Take to the Cashier on the First Floor)
 2101 N. Lincoln Blvd.
 Oklahoma City, OK 73105

RECEIPT NO. ➡

OKLA CORP COMM
 RECEIPT 1904830621
 Date: 11/05/2018 Time: 10:02
 Case: 000000000 Cashier: JSD
 Payor: TRISTONE ENERGY
 Check: 47941 \$400.00
 45 Emerg Walk Thru 1TD