API NUMBER: 011 23914

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: 01/05/2018
Expiration Date: 07/05/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 14N Rge: 12W County: BLAINE

SPOT LOCATION: NW NW NW FEET FROM QUARTER: FROM NORTH FROM WEST SECTION LINES: 235 250

Lease Name: ROWDY LUCY 21-28 Well No: 1XH Well will be 235 feet from nearest unit or lease boundary.

Operator APACHE CORPORATION Telephone: 7132966000; 9184914 OTC/OCC Number: 6778 0

APACHE CORPORATION
2000 POST OAK BLVD STE 100

HOUSTON. TX 77056-4497

MARK STEVEN HELM

P.O. BOX 423

GEARY OK 73040

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

Name Depth Name Depth MISSISSIPPIAN 1 12713 6 2 WOODFORD 13485 7 3 8 4 9 5 10 669677 Spacing Orders: Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201707131 Special Orders:

201707132

Total Depth: 23500 Ground Elevation: 1700 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 180

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 D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-33607

Chlorides Max: 8000 Average: 5000 H. SEE MEMO

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: CPit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

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 14N Rge 12W County **BLAINE** SW Spot Location of End Point: SE SW SW Feet From: SOUTH 1/4 Section Line: 165 WEST Feet From: 1/4 Section Line: 350

Depth of Deviation: 12238 Radius of Turn: 1000

Direction: 179

Total Length: 10191

Measured Total Depth: 24000

True Vertical Depth: 13485

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

Notes:

Category Description

DEEP SURFACE CASING 1/2/2018 - 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 1/2/2018 - 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 1/2/2018 - 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 1/2/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 -

OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

Category Description

PENDING CD - 201707131 1/2/2018 - G57 - (I.O.) 21 & 28-14N-12W

EST MULTIUNIT HORIZONTAL WELL

X669677 MSSP, WDFD

(WDFD ASSOCIATED COMMON SOURCE OF SUPPLY TO MSSP)

APACHE CORPORATION

50% 21-14N-12W 50% 28-14N-12W NO OP. NAMED

REC 12-7-2017 (JOHNSON AFFIRMED BY MACGUIGAN)

PENDING CD - 201707132 1/2/2018 - G57 - (I.O.) 21 & 28-14N-12W

X669677 MSSP, WDFD

SHL (21-14N-12W) 235' FNL, 350' FWL **

COMPL. INT. (21-14N-12W) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL COMPL. INT. (28-14N-12W) NCT 0' FNL, NCT 165' FSL, NCT 330' FWL

NO OP. NAMED

REC 12-7-2017 (JOHNSON AFFIRMED BY MACGUIGAN)

**S/B SHL (21-14N-12W) 235' FNL, 250' FWL; WILL BE CORRECTED AT HEARING FOR FINAL

ORDER PER ATTORNEY FOR OPERATOR

SPACING - 669677 1/2/2018 - G57 - (640)(HOR) 21 & 28-14N-12W

VAC 102663/17747 CSTR, MSSLM, OTHER 21-14N-12W VAC 115876 CSTR, MSSLM, OTHER 28-14N-12W

EXT 656898 MSSP, WDFD, OTHER POE TO BHL (MSSP) NCT 660' FB

POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL

