API NUMBER: 043 23523 A

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: 01/04/2018
Expiration Date: 07/04/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 16N Rge: 15W County: DEWEY

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

SECTION LINES: 165 2080

Lease Name: WHATCHAMACALLIT Well No: 9-1H Well will be 165 feet from nearest unit or lease boundary.

Operator CARRERA ENERGY LLC Telephone: 4326956970 OTC/OCC Number: 23514 0

CARRERA ENERGY LLC

PO BOX 5036

MIDLAND, TX 79704-5036

HARRY F. PERCY, MANAGER 421 SOUTH 18TH STREET

CLINTON OK 73601

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

Depth Name Depth MISSISSIPPIAN (EX CHESTER) 1 11724 6 2 WOODFORD 12686 7 3 8 4 9 10 665145 Spacing Orders: Location Exception Orders: 666229 Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 16359 Ground Elevation: 1624 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 80

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

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

Type of Mud System: WATER BASED

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: 17-32541

H. CLOSED SYSTEM=STEEL PITS (REQUIRED - CANADIAN RIVER)

## **HORIZONTAL HOLE 1**

**DEWEY** Sec 09 Twp 16N Rge 15W County Spot Location of End Point: SW SE SE SW Feet From: SOUTH 1/4 Section Line: 165 Feet From: WEST 1/4 Section Line: 2080

Depth of Deviation: 10705 Radius of Turn: 573 Direction: 180 Total Length: 4753

Measured Total Depth: 16359

True Vertical Depth: 12686

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

Notes:

Category Description

DEEP SURFACE CASING 12/15/2017 - 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 12/15/2017 - 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 12/15/2017 - 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

LOCATION EXCEPTION - 666229 1/4/2018 - G57 - (I.O.) 9-16N-15W

X665145 MSNLC, WDFD

COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 660' FWL

CARRERA ENERGY, LLC.

7-24-2017

SPACING - 665145 1/4/2018 - G57 - (640)(HOR) 9-16N-15W

VAC 160851 MSSSD

EST MSNLC, WDFD

POE TO BHL (MSLNC) NCT 660' FB

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

