

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

API NUMBER: 043 23575

Approval Date: 12/06/2017

Expiration Date: 06/06/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 19N Rge: 16W

County: DEWEY

SPOT LOCATION: ☐ NE ☐ NW ☐ NE ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 250 715

Lease Name: SHELBY 24_13-19N-16W

Well No: 1HX

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: DEVON ENERGY PRODUCTION CO LP

Telephone: 4052353611; 4052353

OTC/OCC Number: 20751 0

DEVON ENERGY PRODUCTION CO LP
333 W SHERIDAN AVE
OKLAHOMA CITY, OK 73102-5010

GLEN DALE WILSON, TRUSTEE
233173 E. 640 ROAD
SEILING OK 73663

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	10190	6	
2	WOODFORD	11130	7	
3	HUNTON	11190	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201706391
201706392
201706393
201706394

Special Orders:

Total Depth: 20742

Ground Elevation: 1938

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 270

Under Federal Jurisdiction: Yes

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: CLOUD CHIEF

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

PERMIT NO: 17-33067

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: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 13 Twp 19N Rge 16W County DEWEY

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 440

Depth of Deviation: 9753

Radius of Turn: 477

Direction: 2

Total Length: 10240

Measured Total Depth: 20742

True Vertical Depth: 11190

End Point Location from Lease,
Unit, or Property Line: 50

Additional Surface Owner	Address	City, State, Zip
JO LYNN WILSON, TRUSTEE	233173 E. 640 RD.	SEILING, OK 73663

Notes:

Category

Description

DEEP SURFACE CASING

10/9/2017 - 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

10/9/2017 - 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

10/9/2017 - 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

MEMO

10/9/2017 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

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

043 23575 SHELBY 24_13-19N-16W 1HX

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 - 201706391	12/6/2017 - G75 - (640)(HOR) 13-19N-16W EXT 664553 MSSP, WDFD, HNTN POE TO BHL (MSSP, HNTN) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL (COEXIST SP. ORDER # 147650 CSTR, MSSSD, HNTN) REC 10-17-2017 (MINMIER)
PENDING CD - 201706392	12/6/2017 - G75 - (640)(HOR) 24-19N-16W EXT 664553 MSSP, WDFD, HNTN POE TO BHL (MSSP, HNTN) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL (COEXIST SP. ORDER # 100047 CSTR & ORDER # 172643 MSSSD, HNTN) REC 10-17-2017 (MINMIER)
PENDING CD - 201706393	12/6/2017 - G75 - (I.O.) 24 & 13-19N-16W EST MULTIUNIT HORIZONTAL WELL X201706392 MSSP, WDFD, HNTN 24-19N-16W X201706391 MSSP, WDFD, HNTN 13-19N-16W (WDFD, HNTN ADJACENT COMMON SOURCES OF SUPPLY TO MSSP) 50% 24-19N-16W 50% 13-19N-16W DEVON ENERGY PROD. CO., L.P. REC 10-17-2017 (MINMIER)
PENDING CD - 201706394	12/6/2017 - G75 - (I.O.) 24 & 13-19N-16W X201706392 MSSP, WDFD, HNTN 24-19N-16W X201706391 MSSP, WDFD, HNTN 13-19N-16W COMPL. INT. (24-19N-16W) NCT 165' FSL, NCT 0' FNL, NCT 440' FEL COMPL. INT. (13-19N-16W) NCT 0' FSL, NCT 165' FNL, NCT 440' FEL DEVON ENERGY PROD. CO., L.P. REC 10-17-2017 (MINMIER)

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.

Crafton Tull
SURVEYING CA973(PE/LS) Exp. 6/30/18

LEASE NAME: SHELBY 24_13-19N-16W
WELL NO. 1HX
GOOD DRILL SITE: YES
DEWEY COUNTY, STATE: OK
GROUND ELEVATION: 1938.21' GR. AT STAKE
SURFACE HOLE FOOTAGE: 715' FEL - 250' FNL
SECTION: 25 TOWNSHIP: T19N RANGE: R16W
BOTTOM HOLE: 13-T19N-R16W, I.M.
ACCESSIBILITY TO LOCATION: FROM EAST LIN
TOPOGRAPHY & VEGETATION:
LOCATION FELL IN A FIELD

DISTANCE & DIRECTION FROM HWY JCT OR TOWN: _____
FROM THE TOWN OF SEILING HEAD SOUTH ON US-270
±6.0MI TO E640RD, HEAD EAST ±0.2MI TO N2330RD, HEAD
NORTH ±1.0MI, PAD SITE WILL BE 700 FT WEST OF ROAD.

PLEASE NOTE THAT THIS LOCATION WAS STAKED ON THE GROUND UNDER THE SUPERVISION OF A LICENSED PROFESSIONAL LAND SURVEYOR, BUT ACCURACY OF THIS EXHIBIT IS NOT GUARANTEED. PLEASE CONTACT CRAFTON TOLL FREE IF ANY INCONSISTENCY IS DETERMINED. GPS DATA IS AVAILABLE UPON REQUEST.

NOTES: AND Y DATA SHOWN HEREON FOR SECTION CORNERS MAY NOT HAVE BEEN SURVEYED ON THE GROUND, AND FURTHER, DOES NOT REPRESENT A TRUE BOUNDARY SURVEY.

QUARTER SECTION DISTANCES MAY BE ASSUMED FROM A GOVERNMENT SURVEY PLAT OR FROM A PROPORTIONATE DISTANCE ASSUMED FROM SECTION CORNERS, OR OCCUPATION THEREOF, AND MAY NOT HAVE BEEN MEASURED ON THE GROUND, AND FURTHER, DOES NOT REPRESENT A TRUE BOUNDARY SURVEY.

A circular professional seal for a land surveyor. The outer ring contains the text "LICENSED PROFESSIONAL LAND SURVEYOR" at the top and "OKLAHOMA" at the bottom, separated by a dotted line. The center of the seal contains the name "DENVER WINCHESTER" and the year "1952". A blue ink signature is written across the seal, and a blue horizontal line is drawn across the bottom.

Section 13 Data:

- Bottom Hole:** 440' FEL - 50' FNL, 36° 07' 46.63" NORTH, 98° 51' 02.56" WEST, X:1748772.6, Y:412291.1, LAT: 36.12961889, LONG:-98.85071152.
- First Perforation Point:** 440' FEL - 165' FNL, X=1749173, Y=409706.
- Section 13 Coordinates:**
 - NW COR. SEC. 13: X=1743958, Y=412435
 - NE COR. SEC. 13: X=1749213, Y=412333
 - SW COR. SEC. 13: X=1743935, Y=409804
 - SE COR. SEC. 13: X=1749158, Y=407076

Section 24 Data:

- Section 24 Coordinates:**
 - NW COR. SEC. 24: X=1743886, Y=404539
 - NE COR. SEC. 24: X=1749131, Y=404447
 - SW COR. SEC. 24: X=1743860, Y=401904
 - SE COR. SEC. 24: X=1749103, Y=401819

Section 25 Data:


- Section 25 Coordinates:**
 - NW COR. SEC. 25: X=1743833, Y=399285
 - NE COR. SEC. 25: X=1749076, Y=399209
 - SW COR. SEC. 25: X=1743806, Y=396667
 - SE COR. SEC. 25: X=1746427, Y=396633

Well Identification:

SHELBY 24_13-19N-16W 1HX
715' FEL - 250' FNL
36° 06' 00.68" NORTH
98° 51' 06.13" WEST
X:1748386.0
Y:401580.6
LAT: 36.10018765
LONG:-98.85170252
ELEV:1938.21

Other Labels:

- 50'
- 440'
- 250'
- 715'
- NE COR. SEC. 13
- SW COR. SEC. 13
- NE COR. SEC. 25
- SW COR. SEC. 25
- SE COR. SEC. 13
- SE COR. SEC. 25
- LAST PERFORATION POINT
- FIRST PERFORATION POINT

REVISION		"SHELBY 24_13-19N-16W 1HX"			
R1	FIRST PERFORATION SHIFT				
		SCALE: 1" = 2000'	DRAWN BY: SQ		SHEET NO.: 1 OF 6
		PLOT DATE: 08-23-2017			