

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

API NUMBER: 121 24800

Approval Date: 12/01/2017

Expiration Date: 06/01/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 17 Twp: 7N Rge: 18E

County: PITTSBURG

SPOT LOCATION:

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 341 275

Lease Name: PRYOR TRUST 0718

Well No: 2H-16

Well will be 275 feet from nearest unit or lease boundary.

Operator Name: RED MOUNTAIN OPERATING LLC

Telephone: 4058424500

OTC/OCC Number: 23694 0

RED MOUNTAIN OPERATING LLC
5637 N CLASSEN BLVD
OKLAHOMA CITY, OK 73118-4015

ISAAC EDWARD & ALICE A. PRYOR
P.O. BOX 700720
TULSA OK 74170

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	7300	6	
2	WOODFORD	7685	7	
3	HUNTON	7770	8	
4			9	
5			10	

Spacing Orders: 666507

Location Exception Orders: 669797

Increased Density Orders:

Pending CD Numbers: 201604937

Special Orders:

Total Depth: 15940

Ground Elevation: 618

Surface Casing: 300

Depth to base of Treatable Water-Bearing FM: 130

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

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

PERMIT NO: 17-33491

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 21 Twp 7N Rge 18E County PITTSBURG

Spot Location of End Point: SE NW NW SW

Feet From: SOUTH 1/4 Section Line: 2000

Feet From: WEST 1/4 Section Line: 380

Depth of Deviation: 6926

Radius of Turn: 382

Direction: 175

Total Length: 8414

Measured Total Depth: 15940

True Vertical Depth: 7770

End Point Location from Lease,
Unit, or Property Line: 380

Notes:

Category

Description

HYDRAULIC FRACTURING

11/17/2017 - 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

LOCATION EXCEPTION - 669797

11/30/2017 - G57 - (I.O.) 16 & 21-7N-18E
X666507 MSSP, WDFD, HNTN
SHL (17-7N-18E) NE4 NE4
COMPL. INT. (16-7N-18E) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL
COMPL. INT. (21-7N-18E) NCT 0' FNL, NCT 165' FSL, NCT 330' FWL
NO OP. NAMED
11-7-2017

MEMO

11/17/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2
- OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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

121 24800 PRYOR TRUST 0718 2H-16

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 - 201604937	11/30/2017 - G57 - (I.O.) 16 & 21-7N-18E EST MULTIUNIT HORIZONTAL WELL X669797 MSSP, WDFD, HNTN (MSSP, HNTN ASSOCIATED COMMON SOURCES OF SUPPLY TO WDFD) 50% 16-7N-18E 50% 21-7N-18E SANGUINE GAS EXPLORATION, LLC ** REC 6-7-2017 (NORRIS) ** S/B RED MOUNTAIN OPERATING, LLC; TO BE CORRECTED AT HEARING FOR FINAL ORDER PER ATTORNEY FOR OPERATOR
SPACING - 666507	11/30/2017 - G57 - (640)(HOR) 16 & 21-7N-18E EST MSSP, WDFD, HNTN COMPL. INT. (MSSP, HNTN) NCT 660' FB COMPL. INT. (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL



Well Location Plat

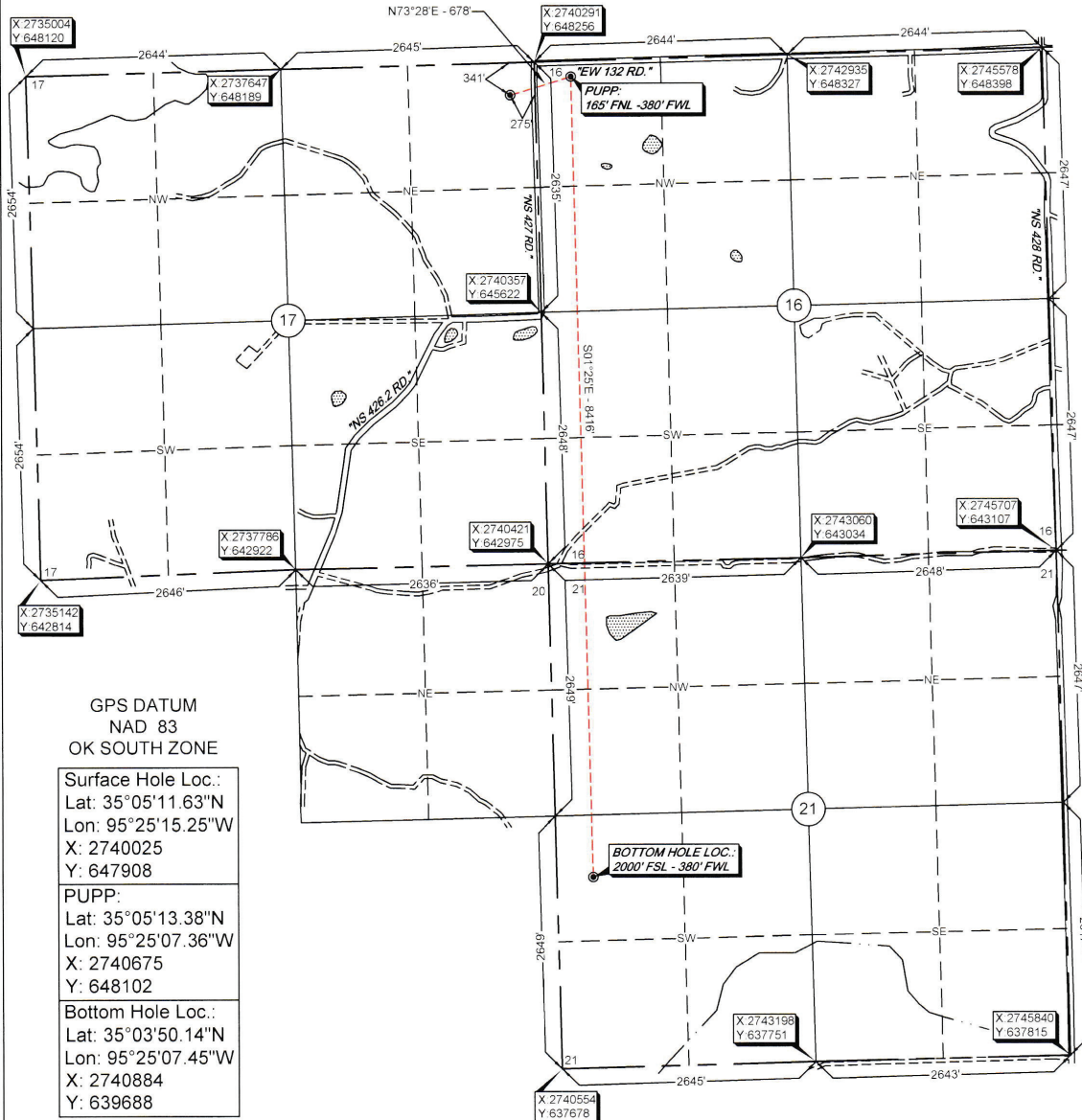
S.H.L. Sec. 17-7N-18E I.M.
B.H.L. Sec. 21-7N-18E I.M.

Operator: RED MOUNTAIN ENERGY, LLC
Lease Name and No.: PRYOR TRUST 0718 2H-16
Footage: 341' FNL - 275' FEL Gr. Elevation: 618'
Section: 17 Township: 7N Range: 18E I.M.
County: Pittsburg State of Oklahoma
Terrain at Loc.: Location fell in flat pasture.

API: 121 24800



0 750' 1500' 2250'
1"=1500'



GPS DATUM
NAD 83
OK SOUTH ZONE

Surface Hole Loc.:
Lat: 35°05'11.63"N
Lon: 95°25'15.25"W
X: 2740025
Y: 647908

PUPP:
Lat: 35°05'13.38"N
Lon: 95°25'07.36"W
X: 2740675
Y: 648102

Bottom Hole Loc.:
Lat: 35°03'50.14"N
Lon: 95°25'07.45"W
X: 2740884
Y: 639688

Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.

NOTE: X 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 assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

Survey and plat by:
Arkoma Surveying and Mapping, PLLC
P.O. Box 238 Wilburton, OK 74578
Ph. 918-465-5711 Fax 918-465-5030
Certificate of Authorization No. 5348
Expires June 30, 2018

Invoice #6688-C
Date Staked: 10/27/16 By: D.A.
Date Drawn: 11/02/16 By: J.H.
Added PUPP & BHL & Lse Name: 10/23/17 By: K.B.

Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

Lance G. Mathis
LANCE G. MATHIS

10/24/17

OK LPLS 1664

