

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

API NUMBER: 087 22198

Approval Date: 12/11/2018

Expiration Date: 06/11/2020

Horizontal Hole
Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 7N Rge: 4W County: MCCLAIN

SPOT LOCATION: ☐ NE ☐ SW ☐ SW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 370 540

Lease Name: MEDICINE ARROWS 2-35-0704

Well No: 1WXH

Well will be 370 feet from nearest unit or lease boundary.

Operator
Name: NATIVE EXPLORATION OPERATING LLC

Telephone: 4058210568

OTC/OCC Number: 24070 0

NATIVE EXPLORATION OPERATING LLC
PO BOX 18108
OKLAHOMA CITY, OK 73154-0108

CHARLES M GRAY
328 W ADAMS
PURCELL OK 73080

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	9415	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 672572

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201708385
201809984
201809985

Special Orders:

Total Depth: 17927

Ground Elevation: 1183

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 350

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: 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

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: 18-34061

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 35 Twp 8N Rge 4W County MCCLAIN

Spot Location of End Point: NE NW NW SW

Feet From: SOUTH 1/4 Section Line: 2615

Feet From: WEST 1/4 Section Line: 380

Depth of Deviation: 9326

Radius of Turn: 530

Direction: 359

Total Length: 7768

Measured Total Depth: 17927

True Vertical Depth: 9415

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

Notes:

Category

Description

DEEP SURFACE CASING

12/6/2018 - 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

12/6/2018 - G71 - 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

MEMO

12/6/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201708385

12/10/2018 - G56 - (640)(HOR) 35-8N-4W
EXT 665488 MSSP, OTHERS
COMPL INT NLT 660' FB
(COEXIST WITH PRODUCING NON HOR SP UNITS)
REC 3/8/2018 (P. PORTER)

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

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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.

087 22198 MEDICINE ARROWS 2-35-0704
1WXH

Category	Description
PENDING CD - 201809984	12/10/2018 - G56 - (E.O.) 35-8N-4W, 2-7N-4W ESTABLISH MULTIUNIT HORIZONTAL WELL X201708385 MSSP, OTHER X672572 MSSP, OTHER 33% 2-7N-4W 67% 35-8N-4W NATIVE EXPLORATION OPERATING, LLC REC 12/3/2018 (NORRIS)
PENDING CD - 201809985	12/10/2018 - G56 - (E.O.) 35-8N-4W, 2-7N-4W X201708385 MSSP, OTHER X672572 MSSP, OTHER COMPL INT (35-8N-4W) NCT 150' FNL, NCT 0' FSL, NCT 330' FWL COMPL INT (2-7N-4W) NCT 0' FNL, NCT 150' FSL, NCT 330' FWL NO OP NAMED REC 12/3/2018 (NORRIS)
SPACING - 672572	12/10/2018 - G56 - (640)(HOR) 2-7N-4W EST MSSP, OTHER COMPL INT NCT 660' FB

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

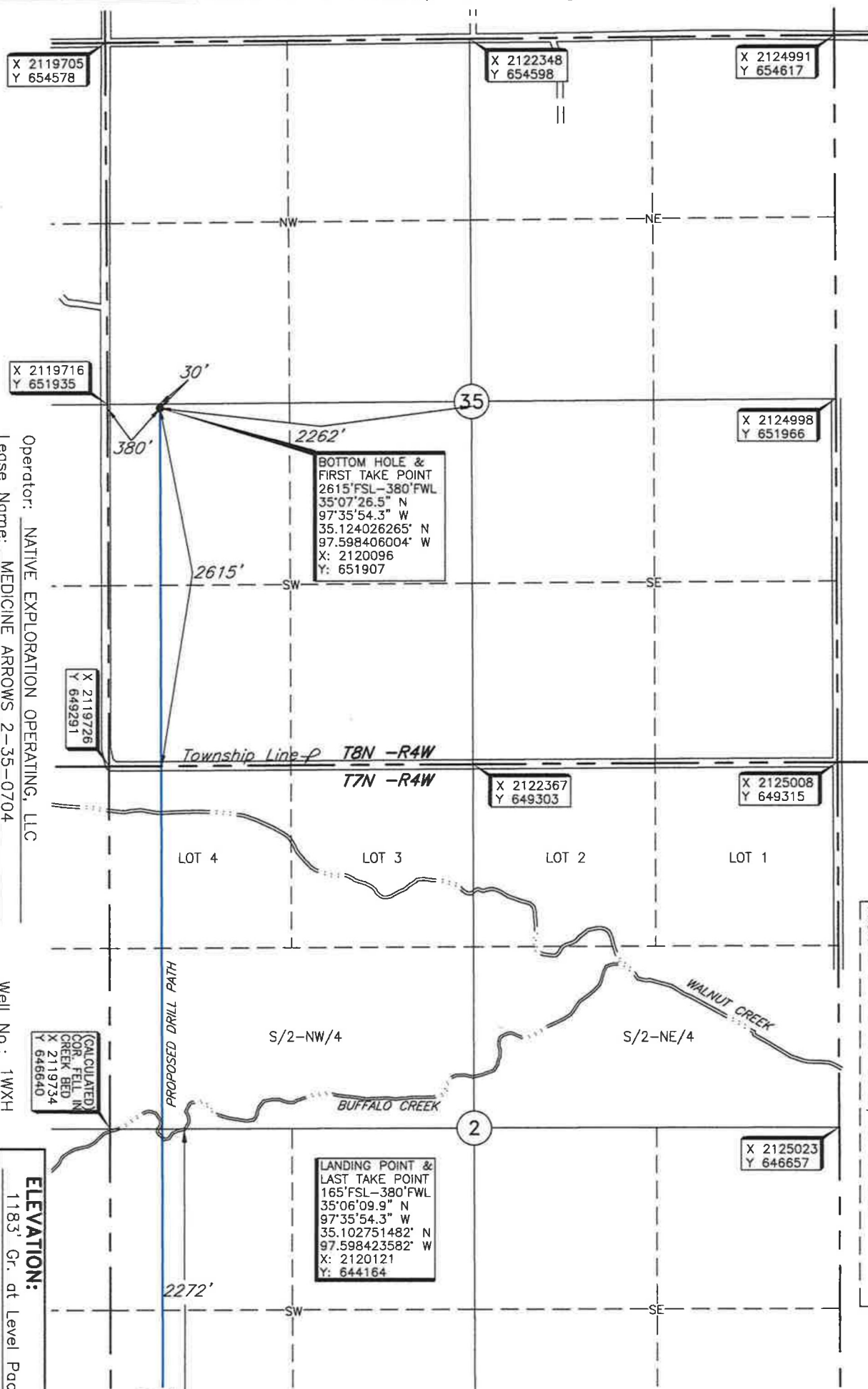
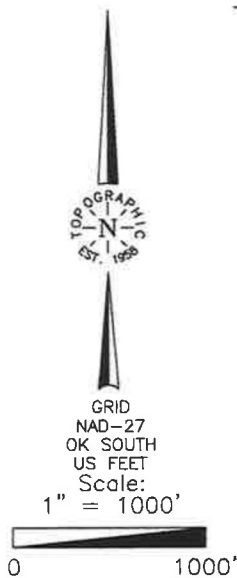
13800 WIRELESS WAY, OKLA. CITY, OKLA. 73134* LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219

Certificate of Authorization No. 1293 LS

MCCLAIN

County, Oklahoma

370'FSL - 540'FWL Section 2 Township 7N Range 4W I.M.



BOTTOM HOLE, LANDING POINT, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

Good Drill Site? Yes

Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From county road south of well location.

Distance & Direction From the Jct. of St. Hwy. 76 & St. Hwy. 74B, south of Blanchard, OK., go east on from Hwy Jct or Town 74B for ± 3.0 miles to the Southwest Corner of Section 2, T7N-R4W.

Topography & Vegetation

Operator: NATIVE EXPLORATION OPERATING, LLC
Lease Name: MEDICINE ARROWS 2-35-0704

Well No.: 1WXH

ELEVATION:

1183' Gr. at Level Pac