

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

API NUMBER: 153 23636

Approval Date: 09/26/2018

Expiration Date: 03/26/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 29 Twp: 20N Rge: 17W

County: WOODWARD

SPOT LOCATION: ☐ NW ☐ NE ☐ NE ☐ NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 190 560

Lease Name: JAMES 20-20-17

Well No: 1H

Well will be 190 feet from nearest unit or lease boundary.

Operator Name: TAPSTONE ENERGY LLC

Telephone: 4057021600

OTC/OCC Number: 23467 0

TAPSTONE ENERGY LLC  
100 E MAIN ST  
OKLAHOMA CITY, OK 73104-2509

JAMES REECE COLE  
222648 E. COUNTY ROAD 57  
MUTUAL OK 73853

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN (LESS CHESTER)	9800	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 681229

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 683610

Special Orders:

Total Depth: 14700

Ground Elevation: 1747

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 60

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 BED AQUIFER

Pit Location Formation: RUSH SPRINGS

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

PERMIT NO: 18-34804

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: RUSH SPRINGS

HORIZONTAL HOLE 1

Sec 20 Twp 20N Rge 17W County WOODWARD

Spot Location of End Point: NE NW NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 880

Depth of Deviation: 9227

Radius of Turn: 428

Direction: 357

Total Length: 4800

Measured Total Depth: 14700

True Vertical Depth: 9800

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

Notes:

Category

Description

DEEP SURFACE CASING

9/14/2018 - 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

9/14/2018 - 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](http://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](http://FRACFOCUS.ORG)

INTERMEDIATE CASING

9/14/2018 - 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

9/14/2018 - 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.

153 23636 JAMES 20-20-17 1H

The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.

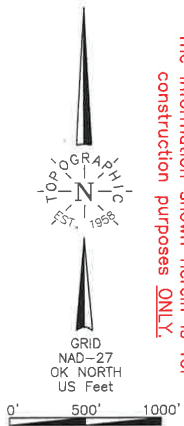
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

Category	Description
PENDING CD - 683610	9/26/2018 - G57 - (I.O.) 20-20N-17W X681229 MSNLC COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FEL TAPSTONE ENERGY, LLC. 9-24-2018
SPACING - 681229	9/26/2018 - G57 - (640)(HOR) 20-20N-17W VAC 129845 STGV, STLS, SPWR, OSGE EST MSNLC POE TO BHL NLT 660' FB

WOODWARD

County, Oklahoma

190' FNL - 560' FEL Section 29 Township 20N Range 17W I.M.



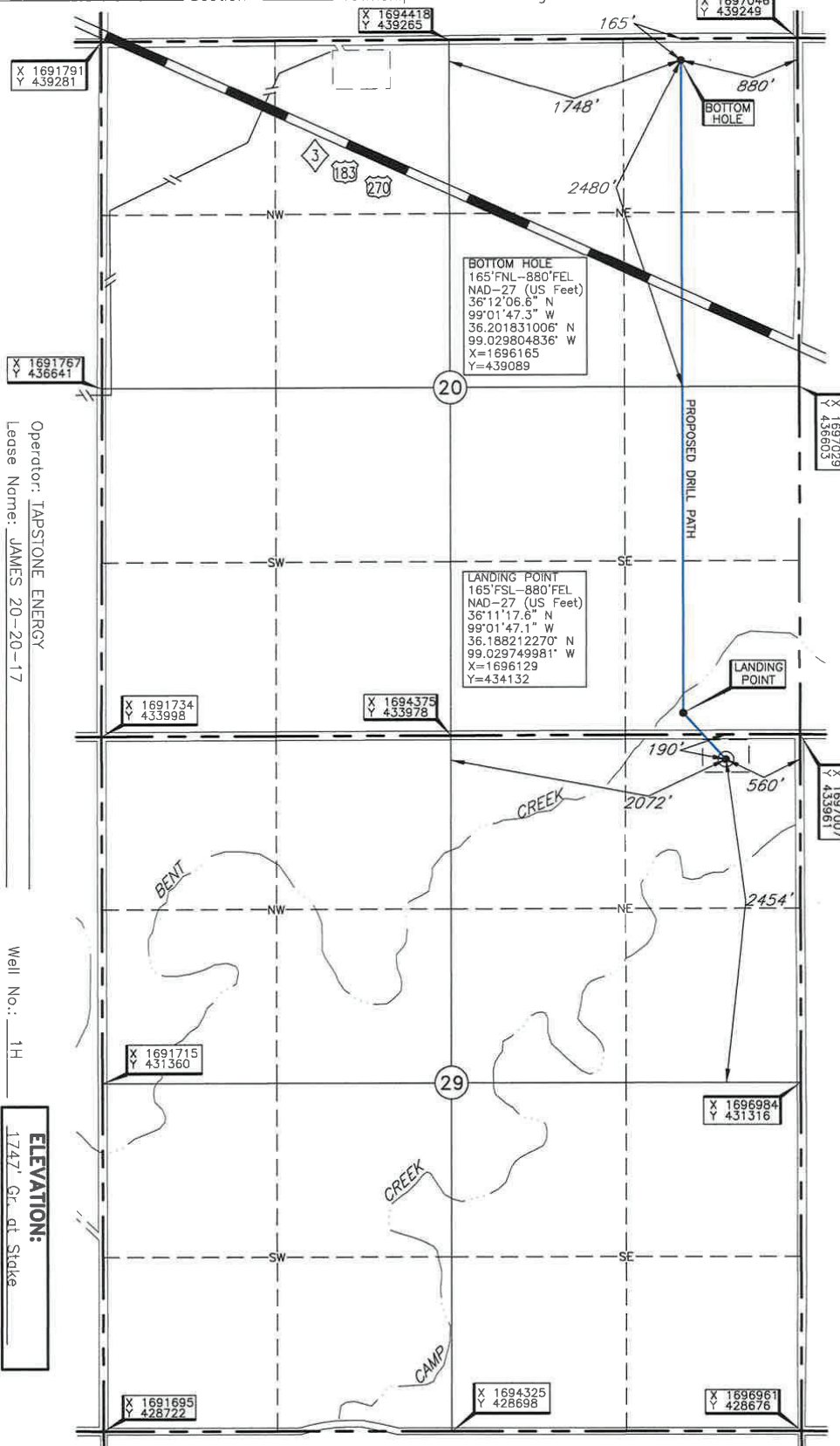
NOTE:  
The information shown herein is for construction purposes ONLY.

Operator: TAPSTONE ENERGY  
Lease Name: JAMES-20-20-17  
Topography & Vegetation Loc. fell in level wheat field  
Well No.: 1H  
ELEVATION: 1747' Gr. at Stake

Good Drill Site? Yes

Reference Stakes or Alternate Location  
Stakes Set None

Best Accessibility to Location From North off county road  
Distance & Direction From Jct. US Hwy. 183 South and US Hwy. 270, go ±3.0 mi. NW on US Hwy. 270, then ±1.0 mi. West to the NE Cor. of Sec. 29-T20N-R17W



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

Revision ☒ B Date of Drawing: Sep. 19, 2018

Invoice # 295734 Date Staked: Jun. 11, 2018

AC

CERTIFICATE:

I, Thomas L. Howell, an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein

Thomas L. Howell  
Oklahoma Lic. No. 1433



DATUM: NAD-27  
LAT: 36°11'14.1"N  
LONG: 99°01'43.2"W  
LAT: 36.187240831° N  
LONG: 99.028662929° W  
STATE PLANE  
COORDINATES: (US Feet)  
ZONE: OK NORTH  
X: 1696446  
Y: 433775