OKLAHOMA CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION P.O. BOX 52000

OKLAHOMA CITY, OK 73152-2000 (Rule 165:10-3-1)

12/05/2018 Approval Date: Expiration Date: 06/05/2020

API NUMBER: 043 23672

Multi Unit

Horizontal Hole Oil & Gas

> Pit Location is BED AQUIFER Pit Location Formation:

RUSH SPRINGS

Amend reason: OCC CORRECTION FOR DEEP SURFACE CASING

			AIVI	END PERMIT	TO DRILL				
WELL LOCATION: Sec	c: 06 Twp: 18N	Rge: 14W	County: DEW	EY					
SPOT LOCATION: NE	NW NE	NW FEET FROM	QUARTER: FROM	NORTH FROM	WEST				
		SECTION LIN	NES:	200	1960				
Lease Name: JONE	ES 31/30-19-14		Well No:	2H		Well will be	200 feet from nea	rest unit or lease boundary.	
Operator T <i>I</i> Name:	APSTONE ENERGY LLC			Telephone:	4057021600		OTC/OCC Number	23467 0	
TAPSTONE E					SARAH JO	ONES & JAN	MES JONES		
		2500	P.O. BOX 463						
OKLAHOMA (JIIY,	OK 73104-2	2509		CANTON		OK	73724	
Name	Permit Valid for List AN LM	ı	Only): Depth 10300		Name 6 7 8 9		De	pth	
Spacing Orders: 633539 111990			Location Exception Orders:			In	Increased Density Orders:		
Pending CD Numbers:	201809154 201809150 201809151 201809153	-				S	pecial Orders:		
Total Depth: 20500	Ground Elev	ation: 1928	Surface (Casing: 1500	1	Depth	to base of Treatable Wa	ater-Bearing FM: 390	
Under Federal Jurisdiction: No			Fresh Water Supply Well Drilled: No				Surface Wate	r used to Drill: Yes	
PIT 1 INFORMATION				Approved Method for disposal of Drilling Fluids:					
Type of Pit System: 0	CLOSED Closed System	Means Steel Pits							
Type of Mud System: WATER BASED					D. One time land application (REQUIRES PERMIT) PERMIT N			PERMIT NO: 18-35825	
Chlorides Max: 8000 Average: 5000					H. SEE MEMO				
	nd water greater than 10ft	below base of pit?	Υ	_					
Wellhood Protection A									
Wellhead Protection Ar Pit is located in	rea? N a Hydrologically Sensitive	- Area							
Category of Pit: C	a riyarologically SellSillVe	o nica.							
Liner not required for	Category: C								

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 30 Twp 19N Rge 14W County **DEWEY** NW Spot Location of End Point: N2 N2 ΝE Feet From: NORTH 1/4 Section Line: 150 WEST Feet From: 1/4 Section Line: 1980

Depth of Deviation: 9651 Radius of Turn: 477

Direction: 1

Total Length: 10100

Measured Total Depth: 20500

True Vertical Depth: 10300

End Point Location from Lease,
Unit, or Property Line: 150

Notes:

Category Description

DEEP SURFACE CASING 12/5/2018 - 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 11/29/2018 - 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; 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 11/29/2018 - 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 11/29/2018 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 -

OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

Category Description

PENDING CD - 201809150 12/5/2018 - G75 - 31-19N-14W

X633539 MPLM 4 WELLS NO OP. NAMED

REC 11-27-2018 (NORRIS)

PENDING CD - 201809151 12/5/2018 - G75 - 30-19N-14W

X111990 MPLM 4 WELLS NO OP. NAMED

REC 11-27-2018 (NORRIS)

PENDING CD - 201809153 12/5/2018 - G75 - (I.O.) 31 & 30-19N-14W

EST MULTIUNIT HORIZONAL WELL X633539 MPLM 31-19N-14W X111990 MPLM 30-19N-14W

50% 31-19N-14W 50% 30-19N-14W NO OP. NAMED

REC 11-27-2018 (NORRIS)

X633539 MPLM 31-19N-14W X111990 MPLM 30-19N-14W

X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO EXISTING/PROPOSED WELL

COMPL. INT. (31-19N-14W) NCT 150' FSL, NCT 0' FNL, NCT 1320' FWL COMPL. INT. (30-19N-14W) NCT 0' FSL, NCT 150' FNL, NCT 1320' FWL

NO OP. NAMED

REC 11-27-2018 (NORRIS)

SPACING - 111990 12/5/2018 - G75 - (640) 30-19N-14W

EXT OTHER

EXT 78076 MPLM, OTHERS

SPACING - 633539 12/5/2018 - G75 - (640) 31-19N-14W

VAC 258497 MSSSD EXT 130026 MPLM