

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

API NUMBER: 063 24828

Approval Date: 07/17/2018

Expiration Date: 01/17/2019

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 9N Rge: 10E

County: HUGHES

SPOT LOCATION: ☐ SW ☐ SE ☐ SW ☐ SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 201 975

Lease Name: CELTIC

Well No: 2-33-28CH

Well will be 201 feet from nearest unit or lease boundary.

Operator Name: CALYX ENERGY III LLC

Telephone: 9189494224

OTC/OCC Number: 23515 0

CALYX ENERGY III LLC  
6120 S YALE AVE STE 1480  
TULSA, OK 74136-4226

WADE BAGWELL  
2465 HWY 75  
WETUMKA OK 74883

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	3600	6	
2	WOODFORD	3875	7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201803164  
201803165  
201803167

Special Orders:

Total Depth: 14134

Ground Elevation: 714

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 200

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: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

Type of Mud System: AIR

B. Solidification of pit contents.

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.

F. Haul to Commercial soil farming facility: Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 551649

H. SEE MEMO

Category of Pit: 4

Liner not required for Category: 4

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

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: 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

## HORIZONTAL HOLE 1

Sec 28 Twp 9N Rge 10E County HUGHES

Spot Location of End Point: NE NW NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 400

Depth of Deviation: 3318

Radius of Turn: 382

Direction: 358

Total Length: 10216

Measured Total Depth: 14134

True Vertical Depth: 3875

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

### Notes:

#### Category

#### Description

#### DEEP SURFACE CASING

7/13/2018 - 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

7/13/2018 - 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)

#### MEMO

7/13/2018 - G71 - PIT 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, WBM/CUTTINGS CAPTURED IN CONCRETE-LINED PIT, SOLIDIFIED AND HELD UNTIL DISPOSAL APPROVED BY OCC

#### PENDING CD - 201803164

7/17/2018 - G57 - (1280)(HOR) 28 & 33-9N-10E  
EST MSSP, WDFD, OTHER  
POE TO BHL (MSSP) NLT 660' FB  
POE TO BHL (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL  
REC 6-1-2018 (DUNN)

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

063 24828 CELTIC 2-33-28CH

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 - 201803165	7/17/2018 - G57 - (I.O.) 28 & 33-9N-10E X201803164 MSSP, WDFD COMPL. INT. (33-9N-10E) NCT 165' FSL, NCT 330' FWL COMPL. INT. (28-9N-10E) NCT 165' FNL, NCT 330' FWL NO OP. NAMED REC 6-1-2018 (DUNN)
PENDING CD - 201803167	7/17/2018 - G57 - 28 & 33-9N-10E X201803164 MSSP, WDFD 1 WELL NO OP. NAMED REC 6-1-2018 (DUNN)

Operator: CALYX ENERGY III, LLC  
Lease Name and No.: CELTIC 2-33-28CH  
Footage: 201' FSL - 975' FWL Gr. Elevation: 714'  
Section: 33 Township: 9N Range: 10E I.M.  
County: Hughes State of Oklahoma  
Terrain at Loc.: Location fell in flat, open pasture.

API: 063 24828



All bearings shown  
are grid bearings.



1" = 1320'

GPS DATUM

NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.:  
Lat: 35°12'12.73"N  
Lon: 96°15'39.79"W  
X: 2487995.12  
Y: 685101.94

Surface Hole Loc.:  
Lat: 35°12'12.42"N  
Lon: 96°15'38.77"W  
X: 2519592.81  
Y: 685052.20

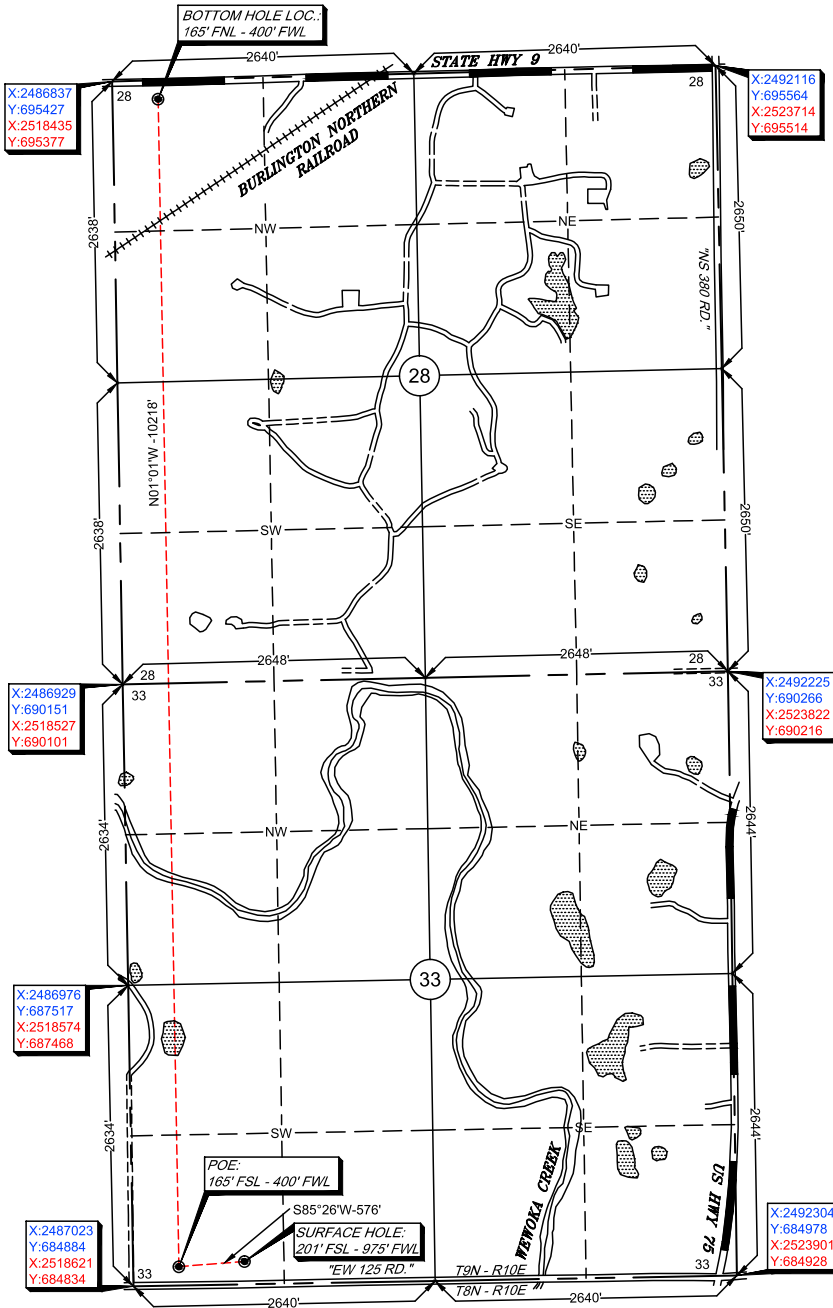
POE:  
Lat: 35°12'12.38"N  
Lon: 96°15'46.72"W  
X: 2487420.47  
Y: 685055.98

POE:  
Lat: 35°12'12.06"N  
Lon: 96°15'45.70"W  
X: 2519018.16  
Y: 685006.27

Bottom Hole Loc.:  
Lat: 35°13'53.44"N  
Lon: 96°15'46.78"W  
X: 2487239.91  
Y: 695272.42

Bottom Hole Loc.:  
Lat: 35°13'53.12"N  
Lon: 96°15'45.76"W  
X: 2518837.59  
Y: 695222.48

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 inaccuracy is determined. GPS data is observed from RTK - GPS when the hole is drilled and the location is marked on the ground. GPS data is not 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, 2020

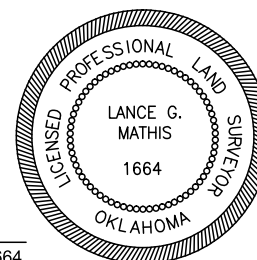
## Certification:

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

07/02/18

OK LPLS 1664



Invoice #7906-B

Date Staked: 06/14/18 By: H.S.

Date Drawn: 06/28/18 By: J.K.