

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

API NUMBER: 045 23619 B

Approval Date: 08/30/2018
Expiration Date: 02/28/2019

Horizontal Hole Oil & Gas

PERMIT TO DEEPEN

WELL LOCATION: Sec: 16 Twp: 20N Rge: 26W

County: ELLIS

SPOT LOCATION: ☐ NW ☐ NE ☐ NE ☐ NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 250 500

Lease Name: KELLN 9

Well No: 8H

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: JONES ENERGY LLC

Telephone: 5123282953

OTC/OCC Number: 21043 0

JONES ENERGY LLC
807 LAS CIMAS PKWY STE 350
AUSTIN, TX 78746-6193

GRAYSON KELLY
RT 2 BOX 98
SHATTUCK OK 73858

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

Name	Depth	Name	Depth
1 CLEVELAND	8100	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 122784

Location Exception Orders: 655537

Increased Density Orders: 675270

Pending CD Numbers:

Special Orders:

Total Depth: 13039

Ground Elevation: 2414

Surface Casing: 755 IP

Depth to base of Treatable Water-Bearing FM: 540

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: OGALLALA

D. One time land application -- (REQUIRES PERMIT)
H. SEE MEMO

PERMIT NO: 18-35052

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: OGALLALA

HORIZONTAL HOLE 1

Sec 09 Twp 20N Rge 26W County ELLIS

Spot Location of End Point: E2 NW NE NE

Feet From: NORTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 791

Depth of Deviation: 7450

Radius of Turn: 655

Direction: 358

Total Length: 4560

Measured Total Depth: 13039

True Vertical Depth: 8100

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category

Description

HYDRAULIC FRACTURING

8/3/2018 - 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

INCREASED DENSITY - 675270

8/30/2018 - G60 - (F.O.) 9-20N-26W
X122784 CLVD
1 WELL
JONES ENERGY LLC.
3/27/18

LOCATION EXCEPTION - 655537

1/5/2018 - G60 - (I.O.) 9-20N-26W
X132531 CLVD**
COMPL. INT. NCT 330' FSL, NCT 330' FNL, NCT 500' FEL
JONES ENERGY, LLC.
8/24/16

**ORDER NUMBER WILL BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER OPERATOR

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.

045 23619 KELLN 9 8H

Category	Description
MEMO	8/3/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 122784	1/5/2018 - G60 - (640) 9-20N-26W EST CLVD, OTHERS