

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

API NUMBER: 073 26227

Approval Date: 08/22/2018

Expiration Date: 02/22/2019

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 15N Rge: 6W

County: KINGFISHER

SPOT LOCATION: ☐ NW ☐ NE ☐ NE ☐ NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 215 605

Lease Name: SAND HILLS 25-15N-06W

Well No: 2MH

Well will be 215 feet from nearest unit or lease boundary.

Operator Name: PALOMA OPERATING CO INC

Telephone: 7136508509

OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC
1100 LOUISIANA ST STE 5100
HOUSTON, TX 77002-5220

ANDREW MEIWES
4320 MOFATT ROAD NW
PIEDMONT OK 73078

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	7800	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201707438
201805190
201805193

Special Orders:

Total Depth: 12300

Ground Elevation: 1174

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 370

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: BISON

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34888

G. Haul to recycling/re-use facility: Sec. 22 Twn. 16N Rng. 9W Cnty. 73 Order No: 647741

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: BISON

HORIZONTAL HOLE 1

Sec 25 Twp 15N Rge 6W County KINGFISHER

Spot Location of End Point: SW SE SW SE

Feet From: SOUTH 1/4 Section Line: 65

Feet From: EAST 1/4 Section Line: 1853

Depth of Deviation: 6747

Radius of Turn: 382

Direction: 190

Total Length: 4953

Measured Total Depth: 12300

True Vertical Depth: 7800

End Point Location from Lease,
Unit, or Property Line: 65

Notes:

Category

Description

DEEP SURFACE CASING

7/6/2018 - 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

7/6/2018 - 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

MEMO

7/6/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201707438

7/10/2018 - G57 - (640)(HOR) 25-15N-6W
EXT OTHER
EST MSSP
POE TO BHL NCT 660' FB
(COEXIST WITH SP. ORDER # 55880/62761 MSSLM)
REC 6-4-2018 (THOMAS)

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

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073 26227 SAND HILLS 25-15N-06W 2MH

Category	Description
PENDING CD - 201805190	7/12/2018 - G57 - (I.O.) 25-15N-6W X201707438 MSSP COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 450' FEL NO OP. NAMED REC 7-23-2018 (DENTON)
PENDING CD - 201805193	7/12/2018 - G57 - 25-15N-6W X201707438 MSSP 4 WELLS PALOMA PARTNERS IV, LLC. REC 7-23-2018 (DENTON)

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

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

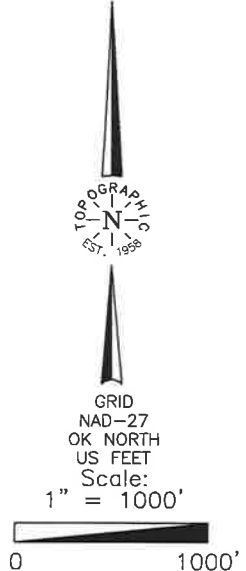
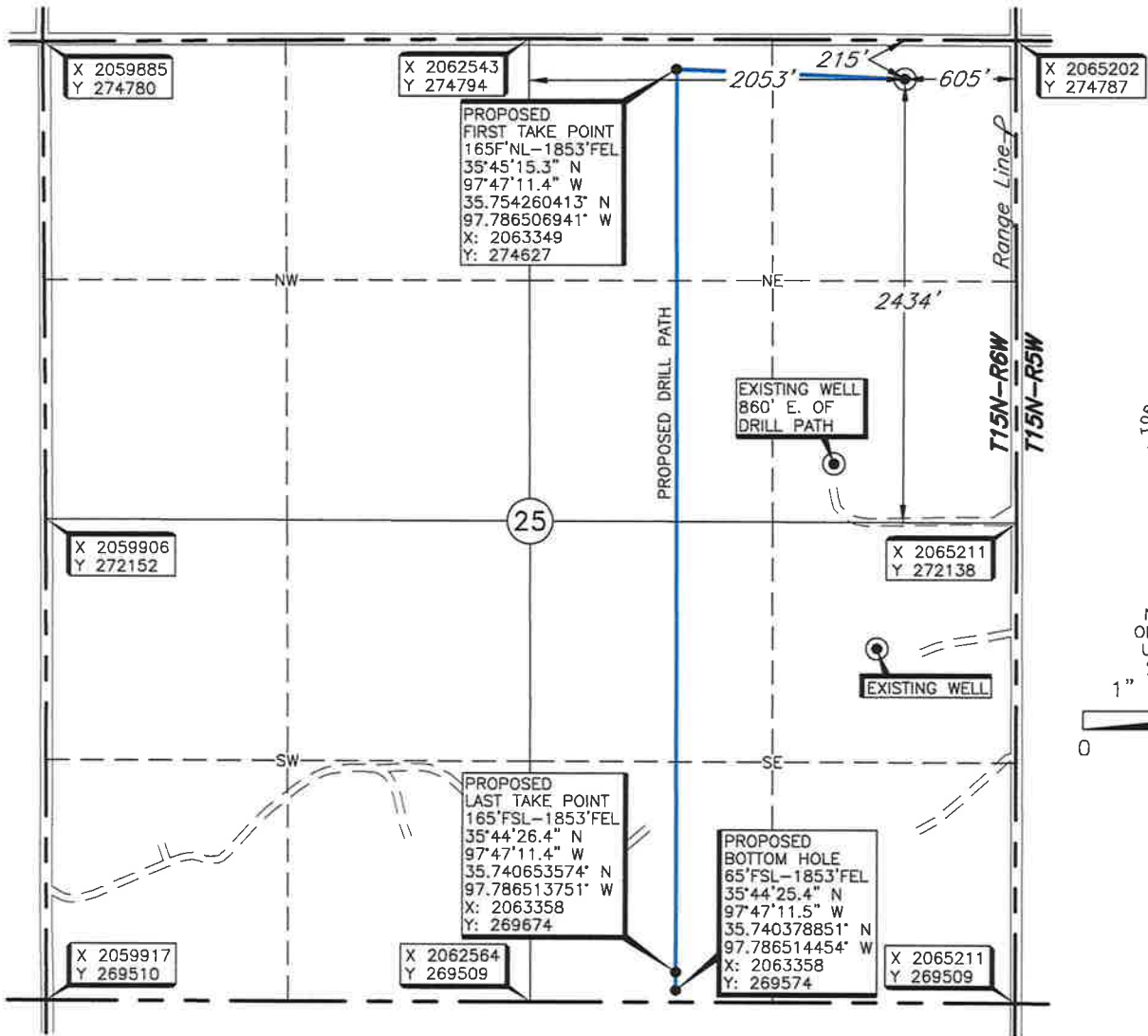
API:073 26227

Certificate of Authorization No. 1293 LS

KINGFISHER

County, Oklahoma

215'FNL-605'FEL Section 25 Township 15N Range 6W I.M.



FIRST TAKE POINT, LAST TAKE POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.

THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY

Operator: PALOMA OPERATING COMPANY, INC.

Lease Name: SAND HILLS 25-15N-6W

Well No.: 2MH

ELEVATION:

1174' Gr. at Stake

Topography & Vegetation Location fell in rolling pasture

Good Drill Site? Yes

Reference Stakes or Alternate Location
Stakes Set None

Best Accessibility to Location From North off county road

Distance & Direction

From Hwy Jct or Town From the junction of St. Hwy 33 & US Hwy 81 in Kingfisher, Oklahoma, go ± 7.5 miles East on St. Hwy 33, then ± 7 miles South, then ± 1 mile East to the Northeast Corner of Section 25, T15N-R6W.

Revision ☒ C

Date of Drawing: May 29, 2018

Invoice # 292494

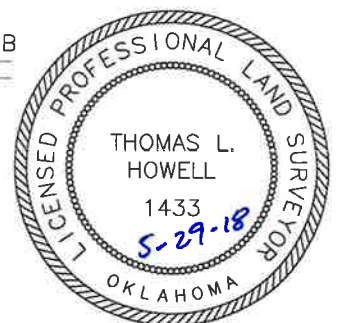
Date Staked: May 10, 2018

NB

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 Reg. No. 1433



DATUM: NAD-27
LAT: 35°45'14.8" N
LONG: 97°46'56.3" W
LAT: 35.754105421° N
LONG: 97.782301123° W
STATE PLANE
COORDINATES (US FEET):
ZONE: OK NORTH
X: 2064597
Y: 274573

This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy

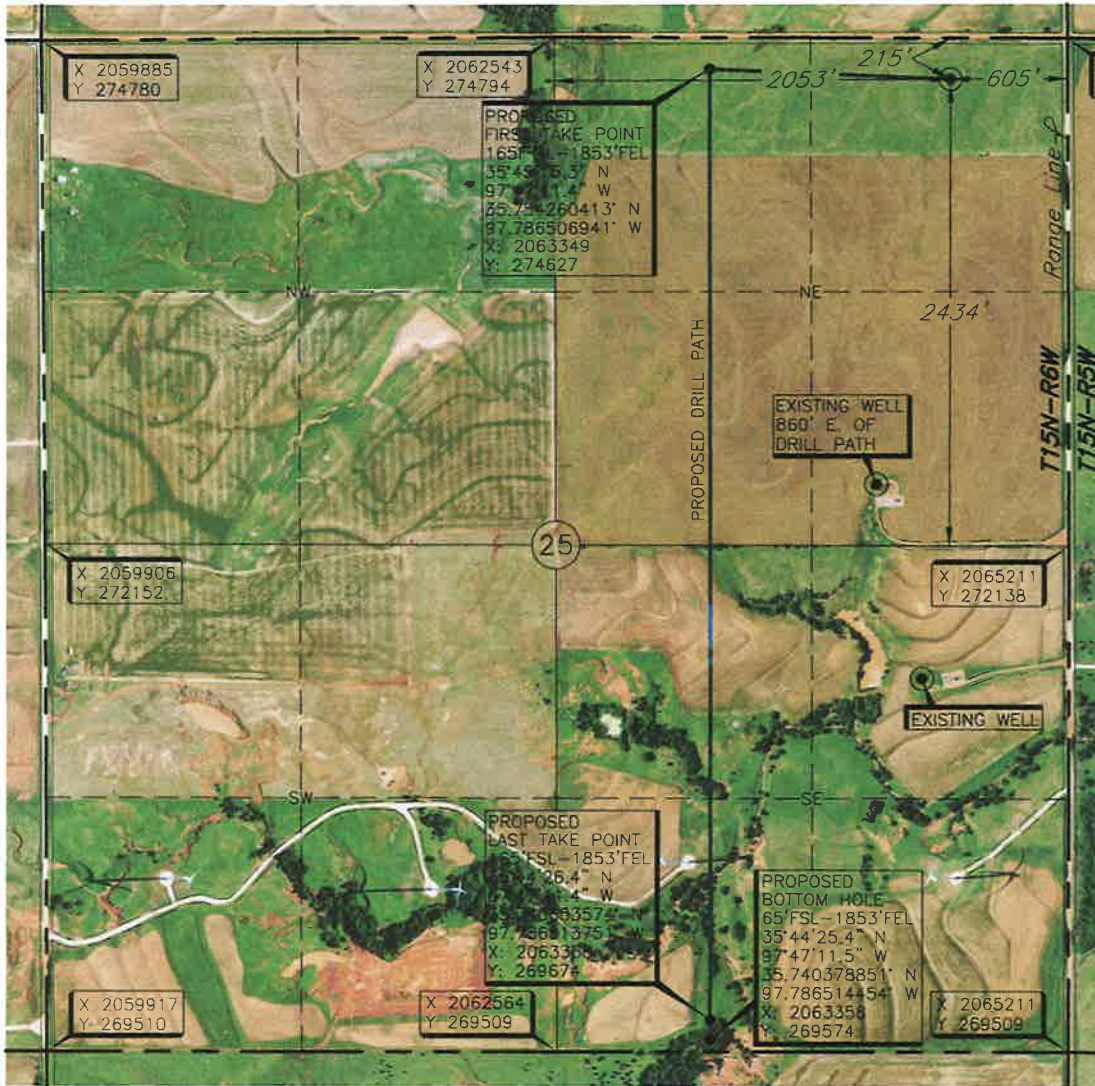
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KINGFISHER

County, Oklahoma

215'FNL-605'FEL Section 25 Township 15N Range 6W I.M.



GRID
NAD-27
OK NORTH
US FEET
Scale:
1" = 1000'

0 1000'

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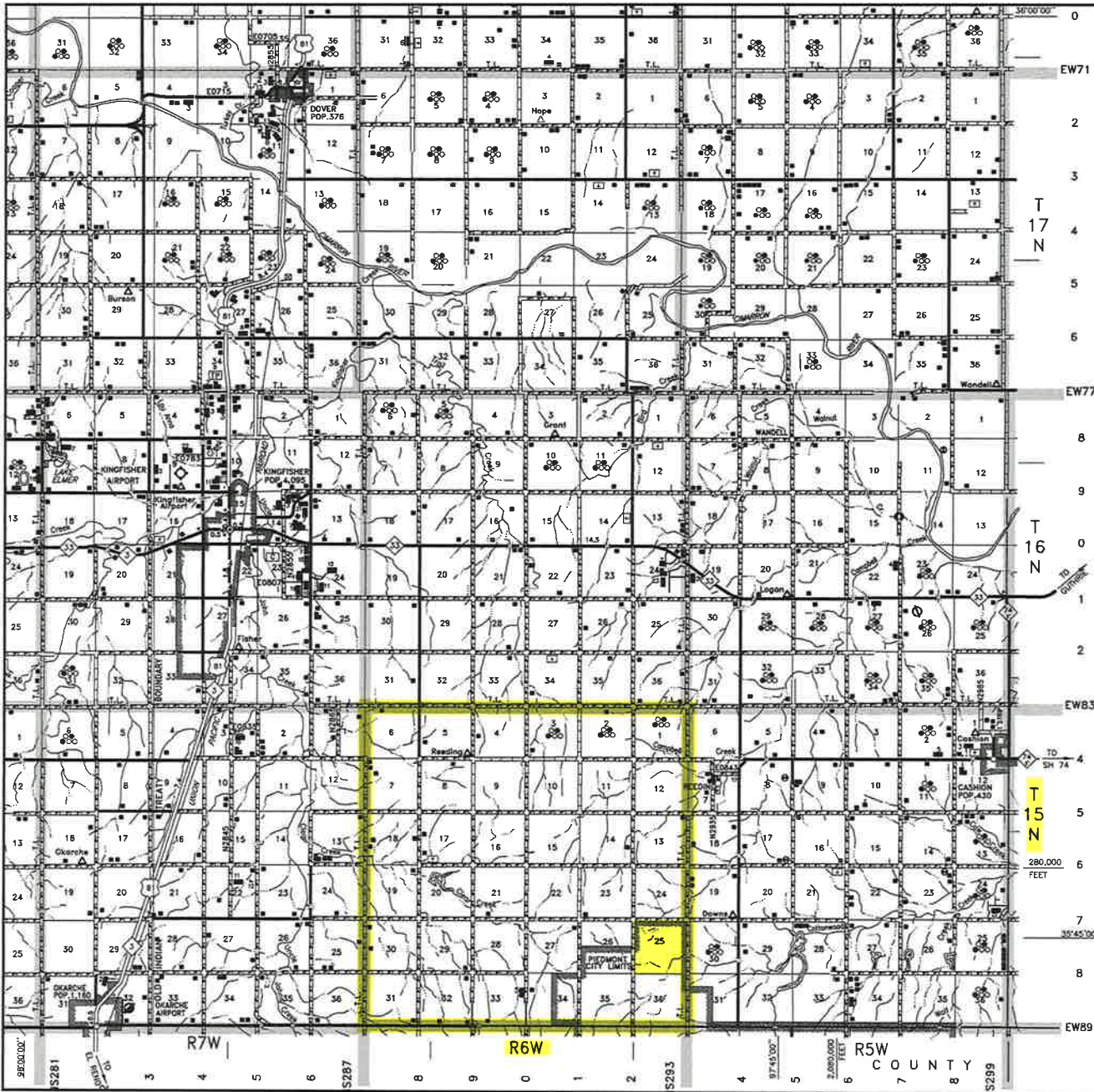
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Surveying and Mapping for the Energy Industry
13800 Wireless Way Oklahoma City, OK 73134 www.topographic.com
Telephone Numbers: Local (405) 843-4847 Toll Free (800) 654-3219

VICINITY MAP



Scale: 1" = 3 Miles

Sec. 25 Twp. 15N Rng. 6W I.M.

County KINGFISHER State OK

Operator PALOMA OPERATING COMPANY, INC.



LAND SURVEYORS OF OKLAHOMA

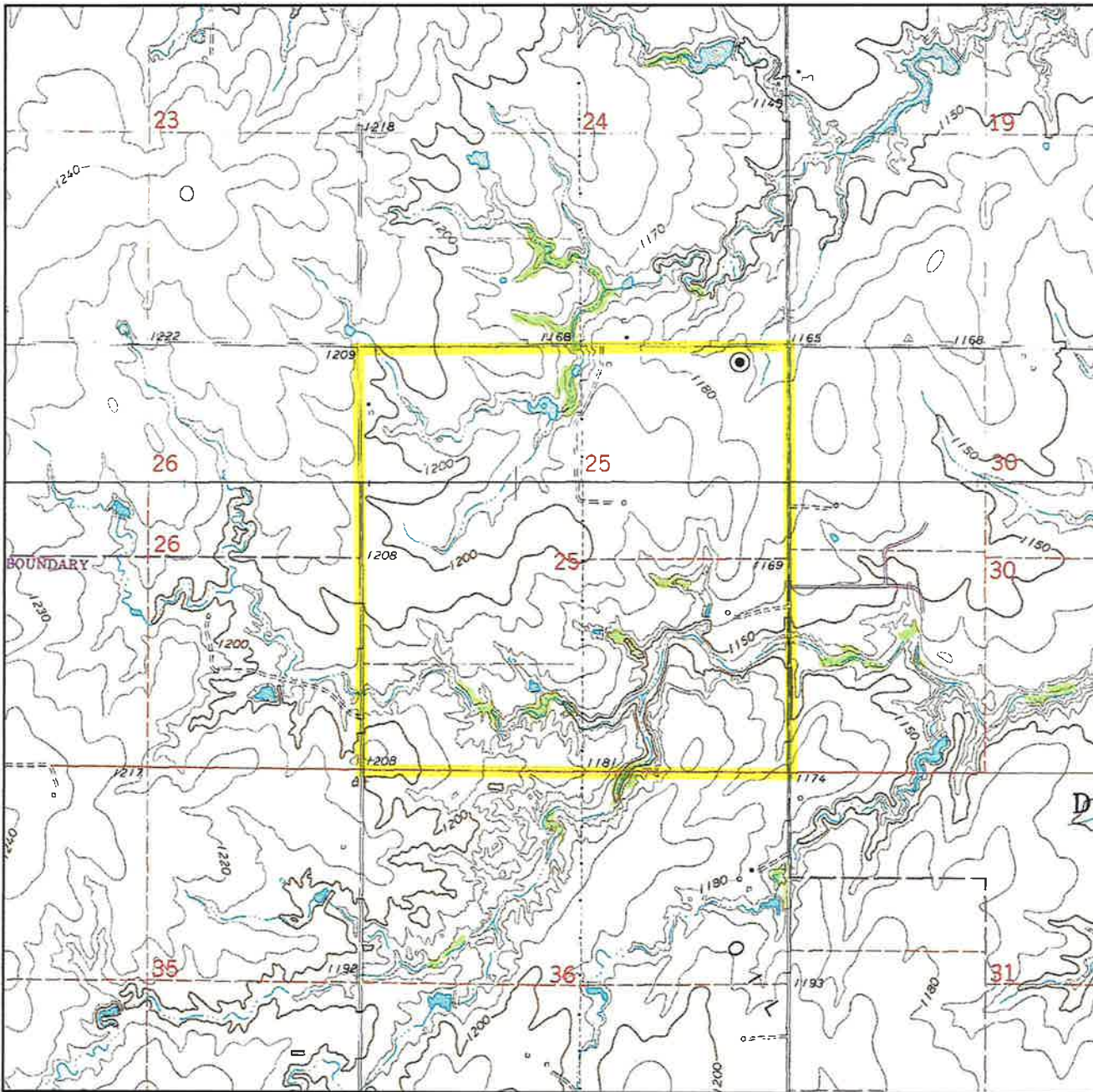
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LOCATION & ELEVATION VERIFICATION MAP



Sec. 25 Twp. 15N Rng. 6W I.M.

County KINGFISHER State OK

Operator PALOMA OPERATING COMPANY, INC.

Description 215'FNL-605'FEL

Lease SAND HILLS 25-15N-6W 2MH

Elevation 1174' Gr. at Stake

Above Background Data from
U.S.G.S. Topographic Map

Scale: 1"=2000'

Contour Interval 10'

When elevation is shown hereon it is the ground
elevation of the location stake.
Review this plat and inform us immediately of
any possible discrepancy.



LAND SURVEYORS OF OKLAHOMA

May 10, 2018