

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

API NUMBER: 039 22529

Approval Date: 02/23/2018

Expiration Date: 08/23/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 14N Rge: 14W

County: CUSTER

SPOT LOCATION: ☐ NW ☐ SE ☐ SE ☐ NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 2164 503

Lease Name: DAGONET

Well No: 1-18-19XH

Well will be 503 feet from nearest unit or lease boundary.

Operator Name: EXCALIBUR RESOURCES LLC

Telephone: 4693172200

OTC/OCC Number: 23349 0

EXCALIBUR RESOURCES LLC
12222 MERIT DR STE 1150
DALLAS, TX 75251-2217

CHITTENDEN JOINT REVOCABLE TRUST
2509 LA PALOMA LANE
MCKINNEY TX 75070

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	14116	6	
2	WOODFORD	15245	7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201800625
201800786
201800787

Special Orders:

Total Depth: 23500

Ground Elevation: 1686

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 380

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

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: 50000 Average: 6000

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

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

PERMIT NO: 18-33956

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 19 Twp 14N Rge 14W County CUSTER

Spot Location of End Point: SW SE SE SE

Feet From: SOUTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 500

Depth of Deviation: 14750

Radius of Turn: 647

Direction: 180

Total Length: 7734

Measured Total Depth: 23500

True Vertical Depth: 15750

End Point Location from Lease,
Unit, or Property Line: 115

Notes:

Category

Description

DEEP SURFACE CASING

2/20/2018 - 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

2/20/2018 - 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

2/20/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201800625

2/23/2018 - G58 - (E.O.)(640)(HOR) 18 & 19-14N-14W
VAC 156706 AS CORRECTED BY 164101 CSTR
EST MSSP, WDFD
COMPL. INT. (MSSP) NCT 660' FB
COMPL. INT. (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL
REC 2/13/2018 (MINMIER)

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.

039 22529 DAGONET 1-18-19XH

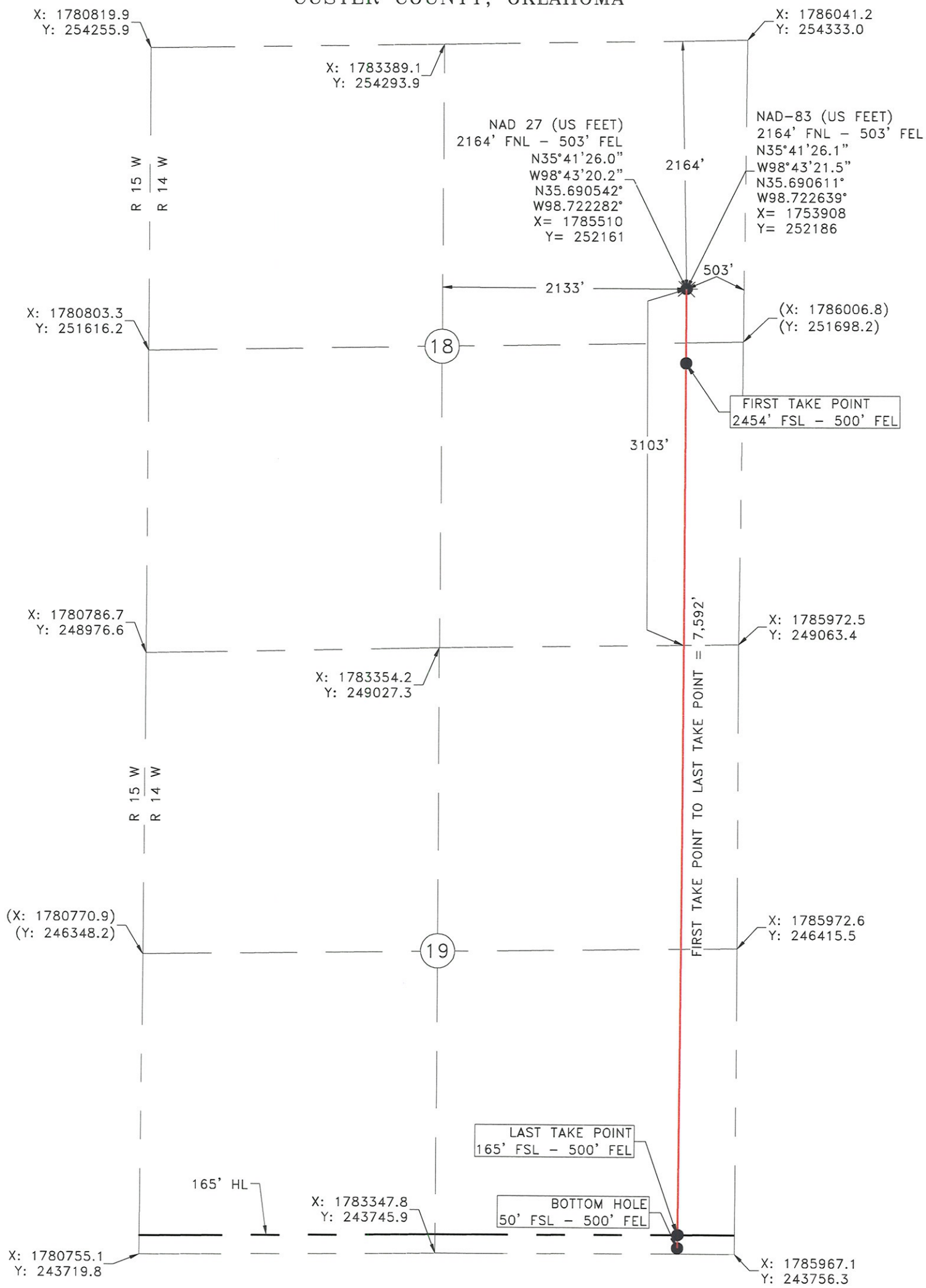
Category	Description
PENDING CD - 201800786	2/23/2018 - G58 - (E.O.) 18 & 19-14N-14W EST MULTIUNIT HORIZONTAL WELL X201800625 MSSP, WDFD (18 & 19-14N-14W) 32.32% (18-14N-14W) 67.68% (19-14N-14W) NO OP. NAMED REC 2/13/2018 (MINMIER)
PENDING CD - 201800787	2/23/2018 - G58 - (E.O.) 18 & 19-14N-14W X201800625 MSSP, WDFD (18 & 19-14N-14W) COMPL. INT. (18-14N-14W) NCT 2000' FNL, NCT 0' FSL, NCT 330' FEL COMPL. INT. (19-14N-14W) NCT 0' FNL, NCT 165' FSL, NCT 330' FEL NO OP. NAMED REC 2/13/2018 (MINMIER)
SURFACE CASING	2/20/2018 - G71 - MIN. 500' PER ORDER 42589

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

039-22529

SECTIONS 18 & 19, T 14 N - R 14W, I.M.,
CUSTER COUNTY, OKLAHOMA

BEARINGS ARE GRID
OKLAHOMA SPC, NAD 27, NORTH ZONE



Operator: EXCALIBUR RESOURCES Date Staked: 12/20/17
Lease Name: DAGONET Well No.: 1-18-19XH Elevation: 1686'
Topography and Vegetation: PASTURE
Good Drill Site? YES Reference or Alt. Location Stakes Set: YES
Best Accessibility to Location: FROM COUNTY ROAD
Distance and Direction from Hwy. Jct. or town: FROM INTERSECTION OF ST. HWY 33 & 54, HEAD SOUTH ON ST. HWY 54 FOR 4.2 MILES, TURN WEST INTO LOCATION.

FRED ANTHONY SELENSKY
OKLAHOMA L.P.L.S. NO.: 1860

NOTE:
This is a plat of a proposed well location and does not represent a true boundary survey. The information shown hereon shall not be relied upon for the location or establishment of land boundary lines. All of the positions shown hereon have not been verified as being actual Section, Quarter or Property corners. Positions shown in (Parentheses) are based upon local occupation and improvements or calculated per proportional measurement and/or G.L.O. record distances. Review this plat and notify Gateway Services Group, LLC immediately of any possible discrepancy.



Gateway
Gateway Services Group, LLC

PO. BOX 960
MEEKER, OK 74855
OFF. (405) 273-0954
FAX (405) 273-0580
C.A. NO. 4091 (LS)
EXP. DATE 6-30-2018

EXHIBIT "A" PRELIMINARY

EXCALIBUR RESOURCES
DAGONET 1-18-19XH
2164' FNL - 503' FEL
SECTIONS 18 & 19, T 14 - R 14 W, I.M.,
CUSTER COUNTY, OKLAHOMA


DRAWN BY: CLC	DATE: 12/21/17	CHK'D: CWP
GATEWAY NO.: 17-0783-001R2		SCALE: 1"=1000'



PAD#:		WELL#:	
REV.	DWN.	DESCRIPTION	DATE

1	CLC	FOOTAGE CHANGE ON BORE PATH	01/09/18
2	RLG	ADD 1ST & LAST TAKE POINT	01/09/18

[illegible]

—LEGEND—

SURFACE LOCATION 

EXISTING WELL  **BOTTOM HOLE/LANDING POINT** 

PROPOSED DRILL PATH

EXISTING PIPELINE -P/-P/-P/-P/-P/-P/-P/-P/-P/-P/-

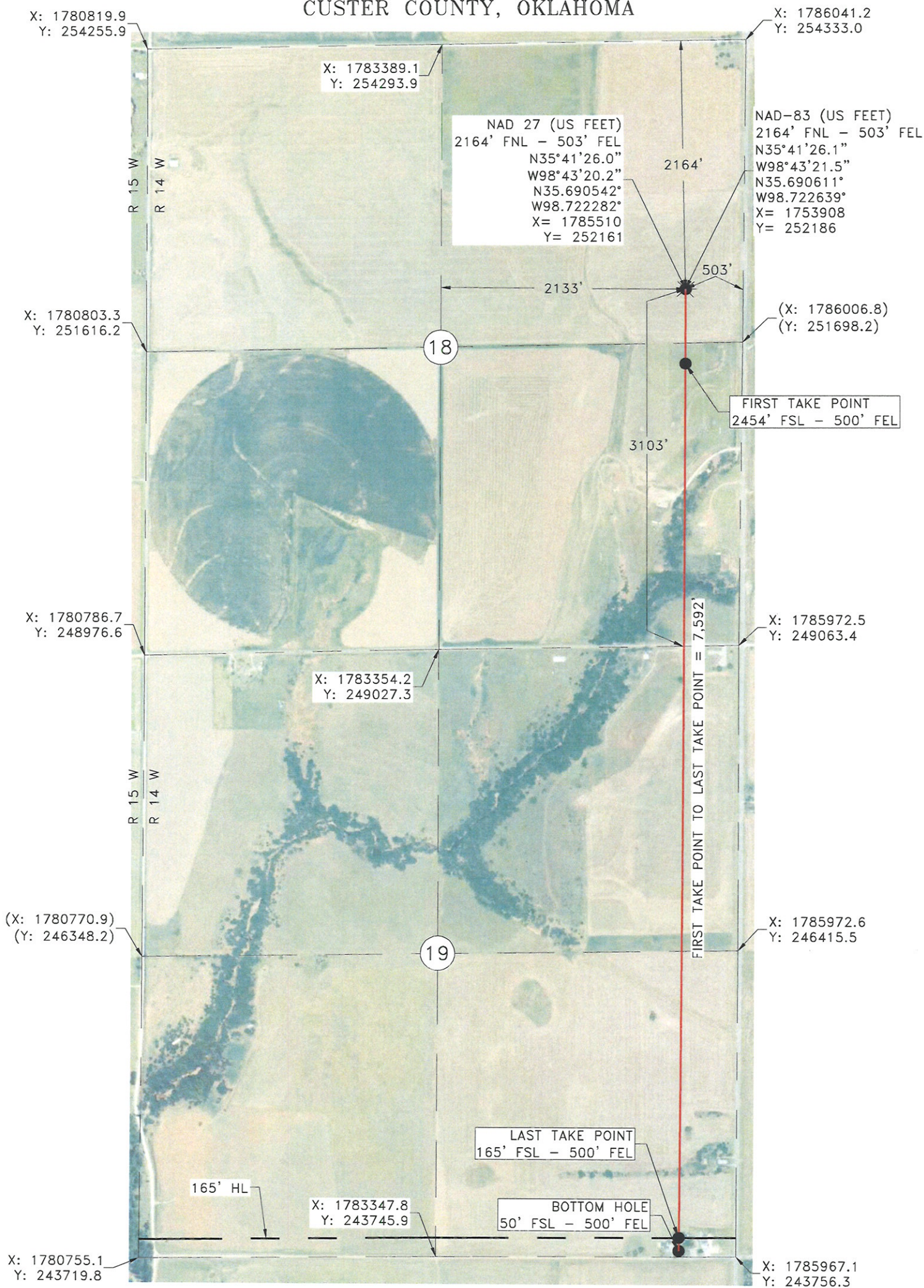
ELECTRIC LINE -E-E-E-E-E-E-E-E-E-E-E-E-E-E-E-E-

OVERHEAD POWER -OHP-OHP-OHP-OHP-OHP-OHP-OHP-OHP-OHP-OHP-

FENCE -X-

SECTIONS 18 & 19, T 14 N - R 14W, I.M.,
CUSTER COUNTY, OKLAHOMA

BEARINGS ARE GRID
OKLAHOMA SPC, NAD 27, NORTH ZONE



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Topography and Vegetation: PASTURE
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Distance and Direction from Hwy. Jct. or town: FROM INTERSECTION OF ST. HWY 33 & 54, HEAD SOUTH ON ST. HWY 54 FOR 4.2 MILES, TURN WEST INTO LOCATION.

Date Staked: 12/20/17
Well No.: 1-18-19XH Elevation: 1686'

Fred A. Selesky
FRED ANTHONY SELENSKY
OKLAHOMA L.P.L.S. NO.: 1860
DATE: 1-10-2018

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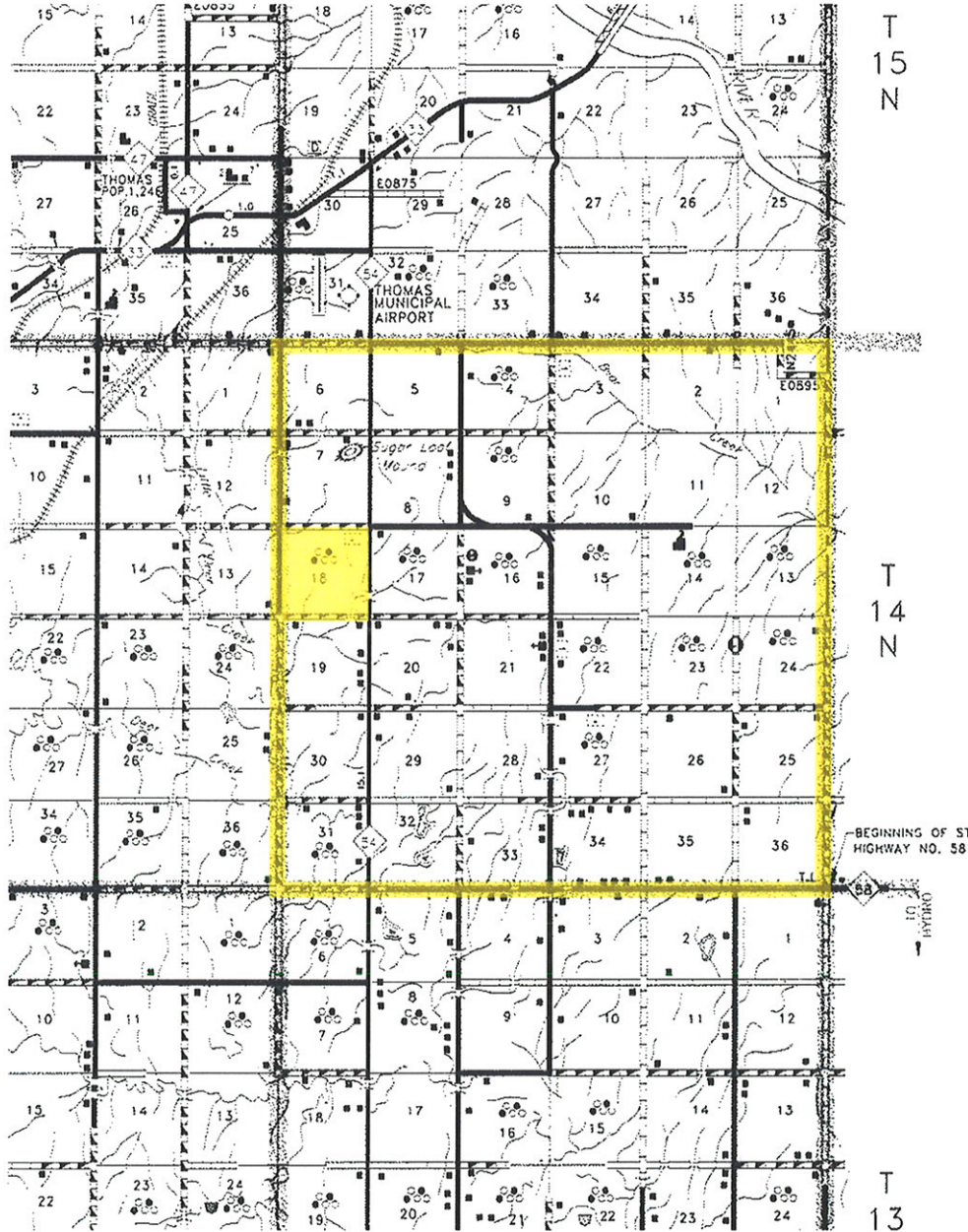
EXCALIBUR RESOURCES
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2164' FNL - 503' FEL
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CUSTER COUNTY, OKLAHOMA

DRAWN BY: CLC	DATE: 12/21/17	CHK'D: CWP
GATEWAY NO.: 17-0783-002R2	SCALE: 1"=1000'	
PAD#:	WELL#:	
REV.	DWN.	DESCRIPTION
1	CLC	FOOTAGE CHANGE ON BORE PATH
2	RLG	ADD 1ST & LAST TAKE POINT

LEGEND
SURFACE LOCATION
EXISTING WELL
PROPOSED DRILL PATH
EXISTING PIPELINE
ELECTRIC LINE
OVERHEAD POWER
FENCE

SECTION 18, T 14 N - R 14W, I.M.,
CUSTER COUNTY, OKLAHOMA

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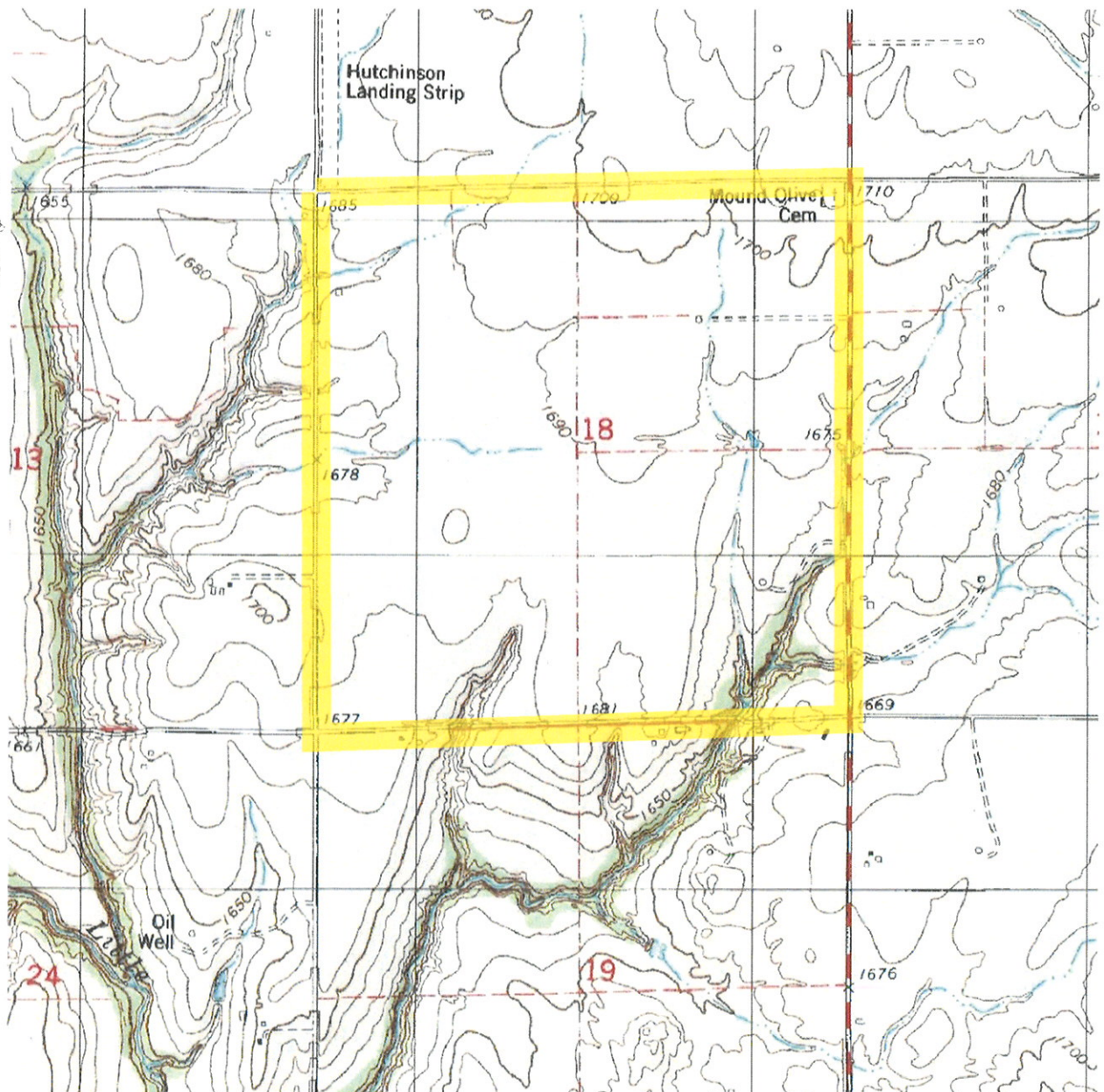
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SECTION 18, T 14 - R 14 W, I.M.,
CUSTER COUNTY, OKLAHOMA

DRAWN BY: CLC		DATE: 12/21/17	CHK'D: CWP
GATEWAY NO.: 17-0783-003R2		SCALE: N.T.S.	
PAD#:		WELL#:	
REV.	DWN.	DESCRIPTION	DATE
1	CLC	FOOTAGE CHANGE ON BORE PATH	01/09/18
2	RLG	ADD 1ST & LAST TAKE POINT	01/09/18

SECTION 18, T 14 N - R 14W, I.M.,
CUSTER COUNTY, OKLAHOMA

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