API NUMBER: 017 25205

Oil & Gas

Horizontal Hole

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

Approval Date: 04/05/2018

Expiration Date: 10/05/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 36 Twp: 11N Rge: 8W County: CANADIAN

SPOT LOCATION: NW NW NW FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: **240 255**

Lease Name: ELDER Well No: 9H-2623X Well will be 240 feet from nearest unit or lease boundary.

Operator CIMAREX ENERGY CO Telephone: 9185851100 OTC/OCC Number: 21194 0

CIMAREX ENERGY CO

202 S CHEYENNE AVE STE 1000

TULSA, OK 74103-3001

SCHIEBER FAMILY FARMS, LLC.

5225 S. HWY. 81

UNION CITY OK 73090

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

Name Depth Name Depth MISSISSIPPIAN 1 11197 6 2 WOODFORD 11510 7 3 HUNTON 11650 8 9 10 671019 Spacing Orders: Location Exception Orders: 673258 Increased Density Orders: 660367 673257

Pending CD Numbers: Special Orders:

Total Depth: 22297 Ground Elevation: 1281 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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34221

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

HORIZONTAL HOLE 1

Sec 23 Twp 11N Rge 8W County CANADIAN

Spot Location of End Point: NW NE NE NE Feet From: NORTH 1/4 Section Line: 150

Feet From: EAST 1/4 Section Line: 400

Depth of Deviation: 11062
Radius of Turn: 750
Direction: 355
Total Length: 10057

Measured Total Depth: 22297

True Vertical Depth: 11650

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

Notes:

Category Description

DEEP SURFACE CASING 4/3/2018 - 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 4/3/2018 - 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

LOCATION EXCEPTION - 673258 4/4/2018 - G75 - (I.O.) 26 & 23-11N-8W

X671019 MSSP, HNTN 26-11N-8W

X660367 WDFD 26-11N-8W

X671019 MSSP, WDFD, HNTN 23-11N-8W

COMPL. INT. (26-11N-8W) NCT 150' FSL, NCT 0' FNL, NCT 400' FEL COMPL. INT. (23-11N-8W)

NCT 0' FSL, NCT 150' FNL, NCT 400' FEL

NO OP. NAMED

2-7-2018

SPACING - 660367 4/4/2018 - G75 - (640)(HOR) 26-11N-8W

EST WDFD

POE TO BHL NCT 165' FNL & FSL, NCT 330' FEL & FWL

SPACING - 671019 4/4/2018 - G75 - (640)(HOR) 26 & 23-11N-8W

EXT 662553 MSSP 26 & 23-11N-8W EXT 662553 WDFD 23-11N-8W EXT 661734 HNTN 26 & 23-11N-8W COMPL. INT. (MSSP, HNTN) NLT 660' FB

COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL

(COEXIST SP. ORDER # 127075/128028 HNTN, ORDER # 134394 MSSLM, ORDER # 258100 CSTR & ORDER # 376959 WDFD 23-11N-8W; SP. ORDER # 144210 MSSLM, HNTN 26-11N-8W)

SPACING - 673257 4/4/2018 - G75 - (I.O.) 26 & 23-11N-8W

EST MULTIUNIT HORIZONTAL WELL X671019 MSSP, HNTN 26-11N-8W X660367 WDFD 26-11N-8W

X671019 MSSP, WDFD, HNTN 23-11N-8W

(MSSP, HNTN ASSOCIATED COMMON SOURCES OF SUPPLY TO WDFD)

50% 26-11N-8W 50% 23-11N-8W NO OP. NAMED 2-7-2018

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.

017 25205 ELDER 9H-2623X

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

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

Certificate of Authorization No. 1293 LS API 017-25205 CANADIAN County, Oklahoma

11N Range 8W I.M. 240'FNL-255'FWL 36 Section Township X= 1997716 Y= 153092 2239 T X= 1992447 Y= 153120 X= 1995076 Y= 153107 construction purposes information BOTTOM HOLE 150'FNL-400'FEL NAD-27 (US Feet) 35'25'12.6"N 98'00'32.4"W 35.420161644'N 98.009010379'W X= 1997316 Y= 152945 400' H0 GR40 X 11 shown herein POSSIBLE WELL 2465 GRID NAD-27 OK NORTH US Feet ō 1000' X= 1992453 Y= 150487 23 X= 1997716 Y= 150479 Best Good Distance & Direction from Hwy Jct or Town Lease Operator: Topography & Accessibility to CIMAREX ENERGY Vegetation ELDER EXISTING WELL Location H 11 Yes From 111 Loc. CO 11 X= 1997715 Y= 147841 fell rom Union 3. X= 1992458 Y= 147853 X= 1995084 Y= 147846 PROPOSED cotton City North 11 Reference Stakes Set 11/1 go off county road field DRILL 11 West 11 PATH ±200' Stakes ±4 None miles South 9 Alternate ð No.: 9H-2623X of. the Chiles Airport pipeline CALCULATED X= 1992449 Y= 145213 Z Location X= 1997718 Y= 145230 R. Cor. 26 으 Sec. 281' Gr. at Stake 36-T11N-8W LANDING POINT 300'FSL-400'FEL NAD-27 (US Feet) 35'23'33.1"N 98'00'32.4"W 35.392532524*N 98.008994870'W X= 1997319 Y= 142888 SE NGVD29 X= 1997719 Y= 142589 74th St X= 1995080 Y= 142581 LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED. A OF ESSIONAL Date of Drawing: Mar. 14, 2018 Invoice # 290625 Date Staked: July 25, was receiver accuracy. DATUM: NAD-27 LAT: 35°23'27.8"N 2017 TR LONG: 98'00'24.5"W **CERTIFICATE:** is information with a GPS refoot Horiz./Vert. a LAT: 35.391050694°N I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the Thomas L. Howell SURVE CENSED THOMAS L LONG: 98.006798014°W HOWELL STATE PLANE 1433 COORDINATES: (US Feet) information shown herein ZONE: OK NORTH 1997974 LAHOMA A X: mon 142348 Oklahoma Lic. No. _