

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

API NUMBER: 091 21812

Approval Date: 09/25/2018

Expiration Date: 03/25/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 9N Rge: 13E County: MCINTOSH
SPOT LOCATION: ☐ NW ☐ SW ☐ SW ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 2034 253

Lease Name: SCHRUTE FARMS Well No: 1-17-5CH Well will be 253 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

JACK CAMPBELL RANCH, LLC
399356 HWY 9
HANNA OK 74845

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	4455	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 516040
541784
500355

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201805915
201805914
201805916
201807338

Special Orders:

Total Depth: 16685 Ground Elevation: 833 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 170

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: AIR

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: 4

Liner not required for Category: 4

Pit Location is BED AQUIFER
Pit Location Formation: SENORA
Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.
B. Solidification of pit contents.

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

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: 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: SENORA

HORIZONTAL HOLE 1

Sec 05 Twp 9N Rge 13E County MCINTOSH

Spot Location of End Point: N2 NE NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 330

Depth of Deviation: 4173

Radius of Turn: 382

Direction: 359

Total Length: 11912

Measured Total Depth: 16685

True Vertical Depth: 4900

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

Notes:

Category

Description

DEEP SURFACE CASING

9/7/2018 - GA3 - 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

9/7/2018 - GA3 - 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

9/7/2018 - GA3 - 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 - 201805914

9/10/2018 - G57 - 5-9N-13E
X500355 MSSP
1 WELL
NO OP. NAMED
REC 8-28-2018 (DUNN)

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.

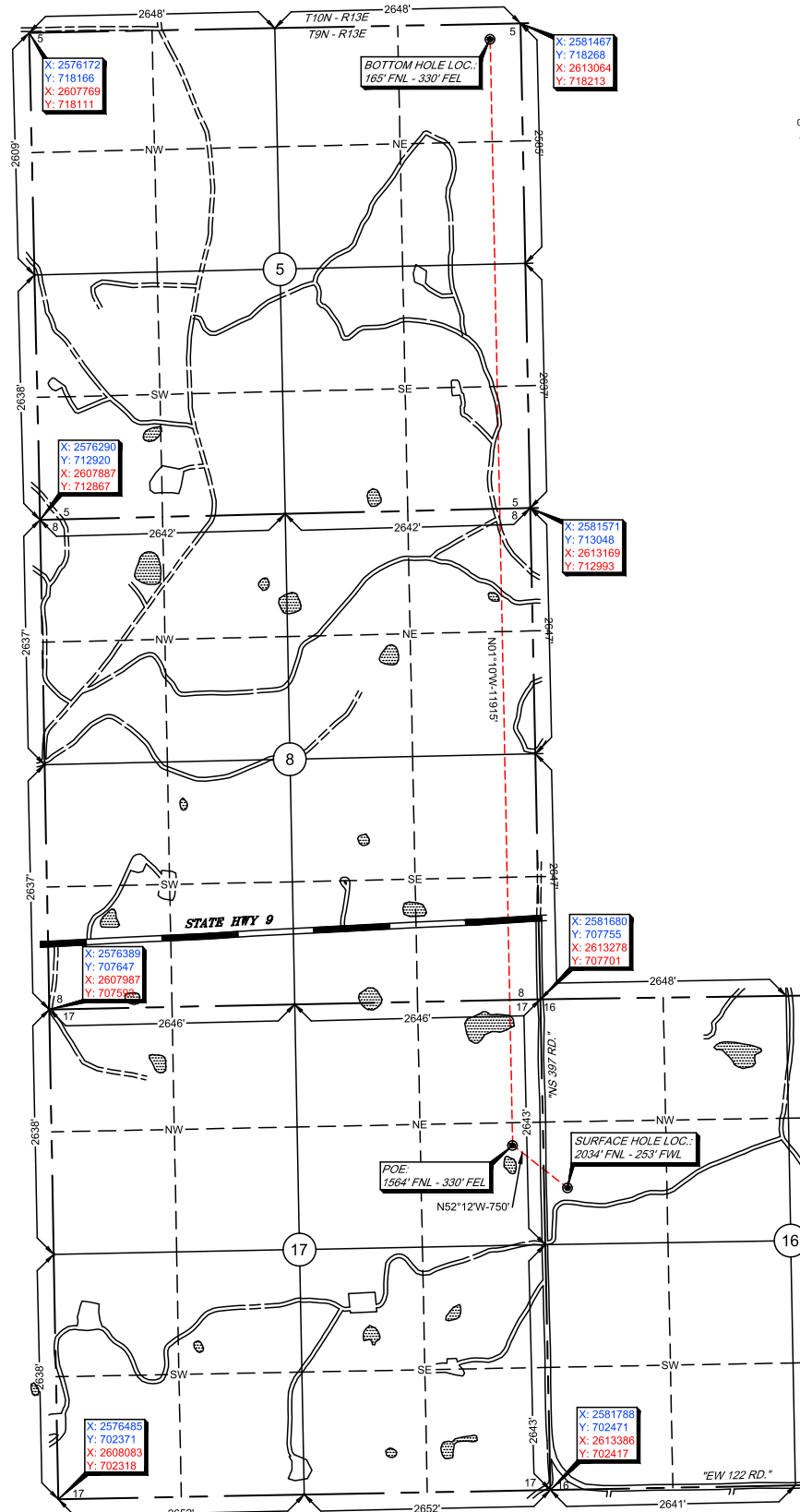
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

091 21812 SCHRUTE FARMS 1-17-5CH

Category	Description
PENDING CD - 201805915	9/10/2018 - G57 - (I.O.) 5, 8, 17-9N-13E X500355 MSSP 5-9N-13E X541784 MSSP 8-9N-13E X516040 MSSP 17-9N-13E COMPL. INT. (17-9N-13E) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (8-9N-13E) NCT 0' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (5-9N-13E) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL NO OP. NAMED REC 8-28-2018 (DUNN)
PENDING CD - 201805916	9/10/2018 - G57 - (I.O.) 5, 8, 17-9N-13E EST MULTIUNIT HORIZONTAL WELL X500355 MSSP 5-9N-13E X541784 MSSP 8-9N-13E X516040 MSSP 17-9N-13E 33% 17-9N-13E ** 33% 8-9N-13E ** 34% 5-9N-13E ** CALYX ENERGY III, LLC. REC 8-28-2018 (DUNN)
PENDING CD - 201807338	**S/B 22% 17-9N-13E, 53% 8-9N-13E, 25% 5-9N-13E; WILL BE CORRECTED AT THE HEARING FOR THE FINAL ORDER PER OPERATOR 9/17/2018 - G57 - 17-9N-13E X516040 MSSP 2 WELLS CALYX ENERGY III, LLC. HEARING 10-9-2018
SPACING - 500355	9/10/2018 - G57 - (640) 5-9N-13E VAC OTHERS EST MSSP, OTHERS
SPACING - 516040	9/10/2018 - G57 - (640) 17-9N-13E VAC OTHERS EXT OTHERS EST MSSP, OTHERS
SPACING - 541784	9/10/2018 - G57 - (640) 8-9N-13E VAC OTHERS EXT 535651 MSSP, OTHERS

Operator: CALYX ENERGY III, LLC
Lease Name and No.: SCHRUTE FARMS 1-17-5CH
Footage: 2034' FNL - 253' FWL Gr. Elevation: 833'
Section: 16 Township: 9N Range: 13E I.M.
County: McIntosh State of Oklahoma
Terrain at Loc.: Location fell in a fairly flat open pasture.

API:091 21812



GPS DATUM

NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.:

Lat: 35°15'19.20"N

Lon: 95°56'42.51"W

X: 2581974.89

Y: 705724.66

Surface Hole Loc.:

Lat: 35°15'18.84"N

Lon: 95°56'41.52"W

X: 2613572.55

Y: 705670.78

POE:

Lat: 35°15'23.86"N

Lon: 95°56'49.55"W

X: 2581382.19

Y: 706184.42

POE:

Lat: 35°15'23.51"N

Lon: 95°56'48.55"W

X: 2612979.86

Y: 706130.52

Bottom Hole Loc.:

Lat: 35°17'21.70"N

Lon: 95°56'49.54"W

X: 2581140.04

Y: 718096.67

Bottom Hole Loc.:

Lat: 35°17'21.34"N

Lon: 95°56'48.55"W

X: 2612737.60

Y: 718042.12

-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 you have any questions or concerns. This plat is for informational purposes only. NOTE: X and Y data shown herein for Section Corners may NOT have been 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 survey. Distances shown on the ground, and other, 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

Invoice #8032-B
Date Staked: 08/06/18 By: H.S.
Date Drawn: 08/14/18 By: J.K.
Rev. All SHL & POE: 08/27/18 By: J.D.
Rev. POE: 09/05/18 By: J.K.

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

09/06/18

OK LPLS 1664

