API NUMBER: 093 25165

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: 09/25/2018
Expiration Date: 03/25/2020

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 20N Rge: 13W County: MAJOR

SPOT LOCATION: SE SE SE SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST SECTION LINES: 210 225

Lease Name: JACK Well No: 20-13-23 1H Well will be 210 feet from nearest unit or lease boundary.

Operator STAGHORN PETROLEUM II LLC Telephone: 9185842558 OTC/OCC Number: 24056 0

STAGHORN PETROLEUM II LLC

1 W 3RD ST STE 1000

TULSA, OK 74103-3500

KECK FAMILY REVOCABLE TRUST 1202 WINCHESTER AVENUE

ENID OK 73703

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

Name Depth Name Depth MISSISSIPPIAN 1 8441 6 2 WOODFORD 9098 7 3 8 4 9 10 670976 Spacing Orders: Location Exception Orders: 673286 Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 13400 Ground Elevation: 1518 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 220

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? $\quad \mbox{Y}$

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: DOG CREEK

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-35323

H. SEE MEMO

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: CPit Location is NON HSA

Pit Location Formation: DOG CREEK

HORIZONTAL HOLE 1

Sec 23 Twp 20N Rge 13W County MAJOR Spot Location of End Point: NW NF NF NF Feet From: NORTH 1/4 Section Line: 135 Feet From: EAST 1/4 Section Line: 525

Depth of Deviation: 8055
Radius of Turn: 483
Direction: 359
Total Length: 4585

Measured Total Depth: 13400
True Vertical Depth: 9098
End Point Location from Lease,
Unit, or Property Line: 135

Notes:

Category Description

DEEP SURFACE CASING 9/6/2018 - 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 9/6/2018 - 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

INTERMEDIATE CASING 9/6/2018 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-

PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE

MORROW SERIES

LOCATION EXCEPTION - 673286 9/25/2018 - G57 - (I.O.) 23-20N-13W

X670976 MSSP, WDFD

COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FEL

STAGHORN PETROLEUM II, LLC.

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.

Category Description

MEMO 9/6/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 -

OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 670976 9/25/2018 - G57 - (640)(HOR) 23-20N-13W

EXT 667175 MSSP, WDFD

EST OTHER

POE TO BHL(MSSP) NLT 660' FB

POE TO BHL(WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL

(COEXIST W/ SP. ORDER 148245 UNCCR)

Operator: STAGHORN PETROLEUM, LLC

Lease Name and No.: JACK 20-13-23 1H Footage: 210' FSL - 225' FEL Gr. Elevation: 1518' Section: 23 Township: 20N Range: 13W I.M.

County: Major State of Oklahoma

Terrain at Loc.: Location fell in flat pasture at the top of a ridge.

API:093 25165



1" = 1000" **GPS DATUM NAD 83**

> **NAD 27** UTM - ZONE 14

Surface Hole Loc .: Lat: 36°11'18.10"N Lon: 98°32'54.73"W Lat: 36.18832316 Lon: -98.54817786

X: 1773703 Y: 13138852

Landing Point: Lat: 36°11'20.86"N Lon: 98°32'58.40"W Lat: 36.18908923 Lon: -98.54919535 X: 1773401

Y: 13139130 Bottom Hole Loc.: Lat: 36°12'06.49"N

Lon: 98°32'58.45"W Lat: 36.20176623 Lon: -98.54920893

X: 1773376 Y: 13143743

X:1768644 X:1773900 Y:1314384 1314388 2629 2629 "EW 56 RD. BOTTOM HOLE LOC. 135' FNL - 525' FEL LANDING POINT: 485' FSL - 525' FE 6°47'W-410' 2632 2632 1768668

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 lany inconsistency is determined. GPS data is observed from RTK - GPS -NOTE: X and Y data shown hereon 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
thereof, and may not have been measured on-the-ground, and further, 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 #7056-B

Y:13138683

Date Staked: 09/04/18 Date Drawn: 09/06/18

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.

09/11/18

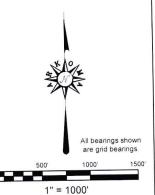
LANCE G. MATHIS OK LPLS 1664

LANCE G. **MATHIS** OKLAHOMA Operator: STAGHORN PETROLEUM, LLC Lease Name and No.: JACK 20-13-23 1H

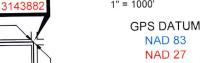
Footage: 210' FSL - 225' FEL Gr. Elevation: 1518' Section: 23 Township: 20N Range: 13W I.M.

State of Oklahoma County: Major

Terrain at Loc.: Location fell in flat pasture at the top of a ridge.



Sec. 23-20N-13W I.M.



UTM - ZONE 14

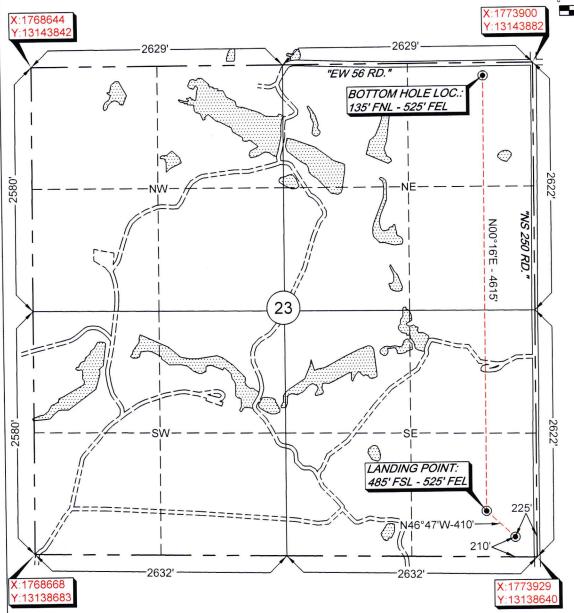
Surface Hole Loc.: Lat: 36°11'18.10"N Lon: 98°32'54.73"W Lat: 36.18832316 Lon: -98.54817786 X: 1773703 Y: 13138852

Landing Point: Lat: 36°11'20.86"N Lon: 98°32'58.40"W Lat: 36.18908923 Lon: -98.54919535

X: 1773401 Y: 13139130

Bottom Hole Loc .: Lat: 36°12'06.49"N Lon: 98°32'58.45"W Lat: 36.20176623 Lon: -98.54920893

X: 1773376 Y: 13143743



-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 any inconsistency is determined. GPS data is observed from RTK - GPS -NOTE: X and Y data shown hereon 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 thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey. represent a true boundary survey

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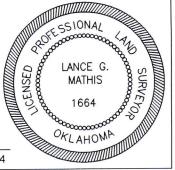
Date Staked: 09/04/18 By: R.L. Date Drawn: 09/06/18

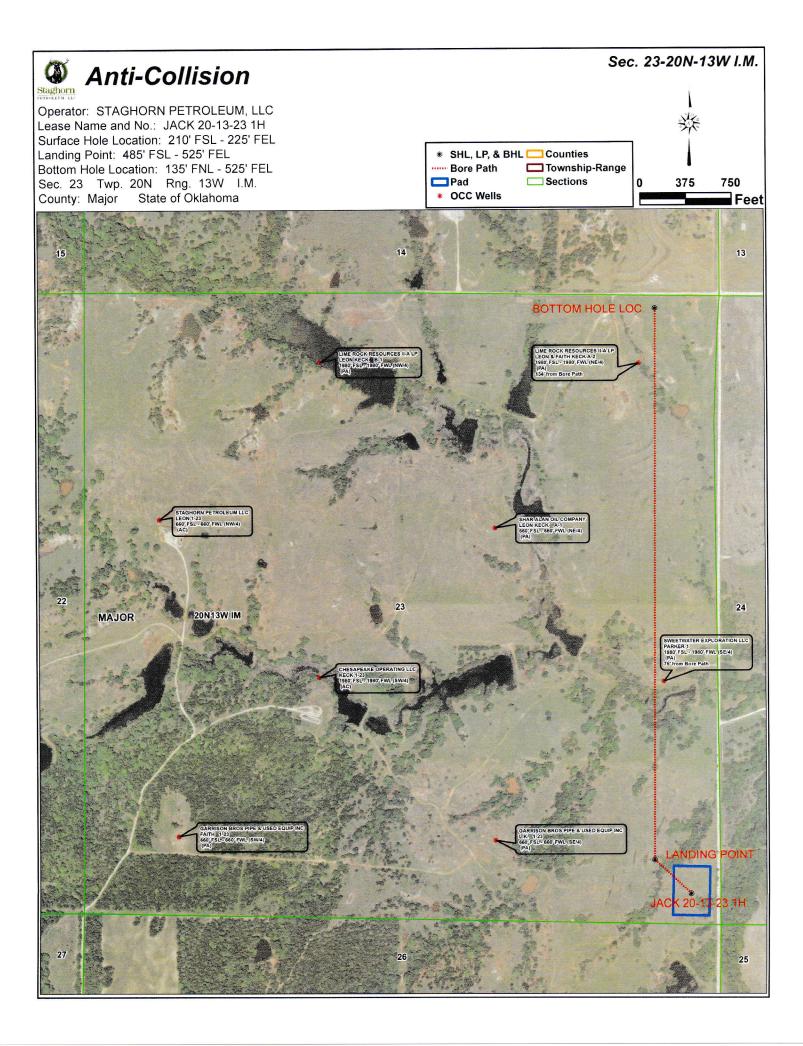
Certification:

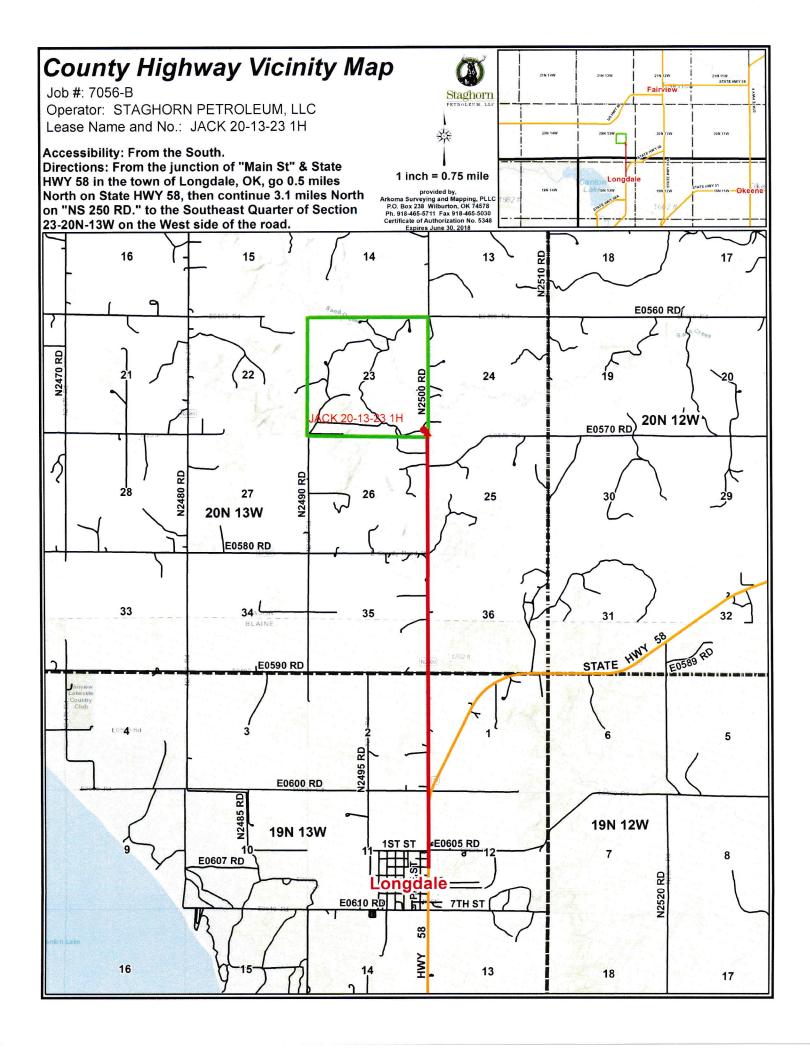
This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned

09/11/18

LANCE G. MATHIS OK LPLS 1664









Topographic Vicinity Map

Operator: STAGHORN PETROLEUM, LLC Lease Name and No.: JACK 20-13-23 1H Surface Hole Location: 210' FSL - 225' FEL

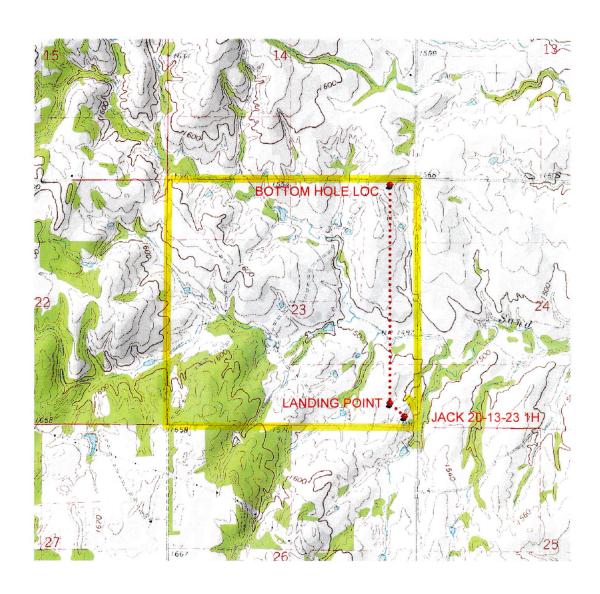
Landing Point: 485' FSL - 525' FEL

Bottom Hole Location: 135' FNL - 525' FEL Sec. 23 Twp. 20N Rng. 13W I.M. County: Major State of Oklahoma

Ground Elevation at Surface Hole Location: 1518'



Scale 1" = 2000' Contour Interval: 10'



Provided 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

Date Staked: 09/04/18

The purpose of this map is to verify the location and elevation as staked on the ground and to show the surrounding Topographic features. The footage shown hereon is only as SCALED onto a U.S.G.S. Topographic Map.

Please note that this location was staked carefully 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 any inconsistency is determined.