

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

API NUMBER: 017 25165

Approval Date: 01/22/2018

Expiration Date: 07/22/2018

Horizontal Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 08 Twp: 12N Rge: 8W

County: CANADIAN

SPOT LOCATION: ☐ SW ☐ SE ☐ SW ☐ SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 231 1813

Lease Name: SUMMER MOON 8-12N-8W

Well No: 1H

Well will be 231 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

K. CLYDEL JULIAN, TRUSTEE
8109 ELM STREET WEST
EL RENO OK 73036

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

	Name	Depth	Name	Depth
1	WOODFORD	11454	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 663300

Location Exception Orders: 665626

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 15908

Ground Elevation: 1410

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 300

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: 1500

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: DOG CREEK

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

PERMIT NO: 18-33697

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: DOG CREEK

HORIZONTAL HOLE 1

Sec 08 Twp 12N Rge 8W County CANADIAN

Spot Location of End Point: NW NW NW NE

Feet From: NORTH 1/4 Section Line: 65

Feet From: EAST 1/4 Section Line: 2320

Depth of Deviation: 10499

Radius of Turn: 478

Direction: 350

Total Length: 4659

Measured Total Depth: 15908

True Vertical Depth: 11454

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

Additional Surface Owner	Address	City, State, Zip
C. EDWARD WIER	80 RACHEL DR	TARPON SPRINGS, FL 34689

Notes:

Category

Description

DEEP SURFACE CASING

1/22/2018 - 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

1/22/2018 - 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: OCCWEB.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 - 665626

1/22/2018 - G58 - (I.O.) 8-12N-8W
X663300 WDFD
COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 450' FEL
PALOMA OPERATING CO., INC.
7/5/2017

MEMO

1/22/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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

017 25165 SUMMER MOON 8-12N-8W 1H

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

SPACING - 663300

Description

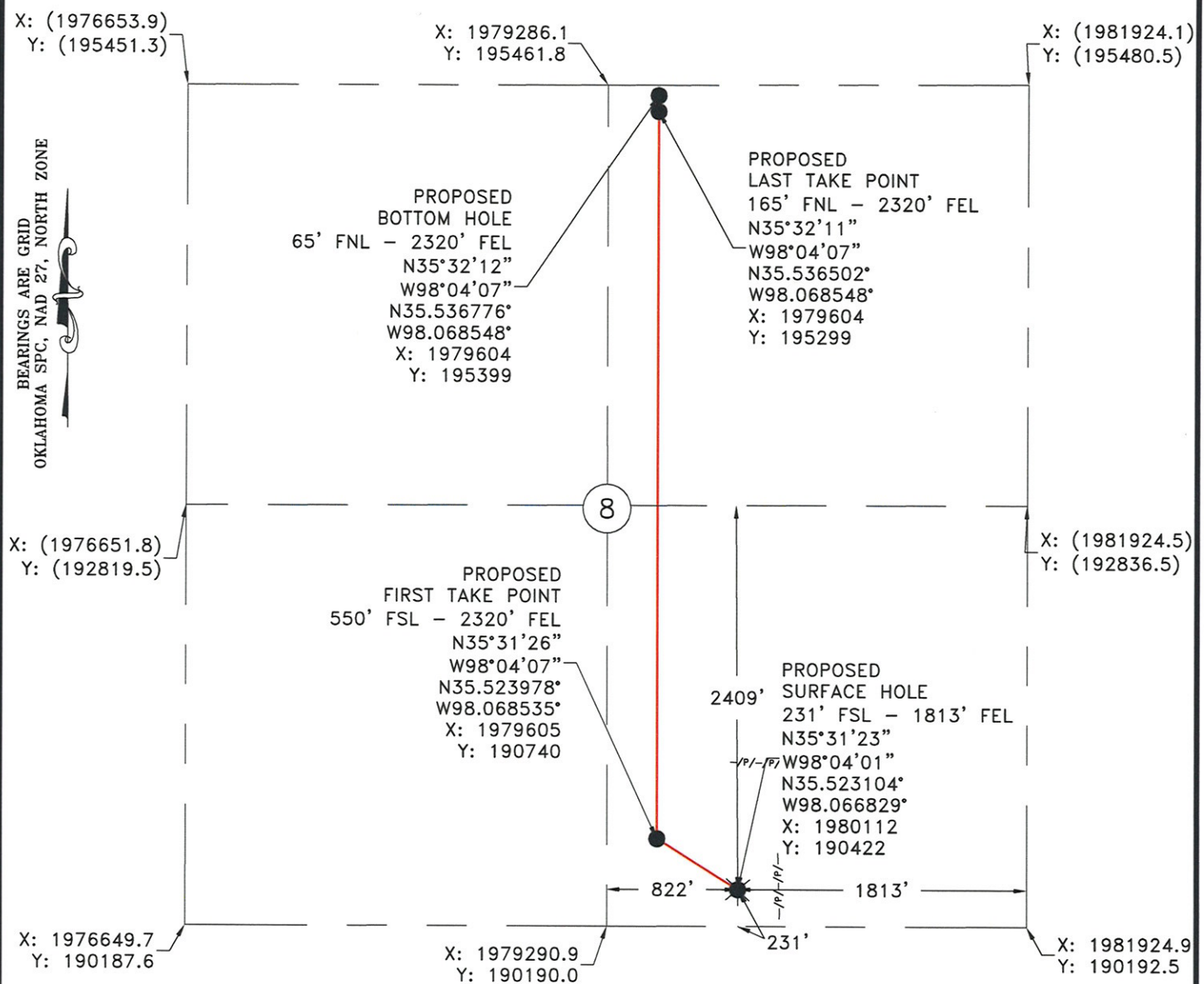
1/22/2018 - G58 - (640) 8-12N-8W
EXT 575475 WDFD

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.

SECTION 08, T 12 N - R 08 W, I.M.,
CANADIAN COUNTY, OKLAHOMA



Operator: PALOMA OPERATING COMPANY, INC
Lease Name: SUMMER MOON 8-12N-8W

Date Staked: 04/25/17
Well No.: 1H Elevation: 1410'

Topography and Vegetation: PASTURE

Good Drill Site? YES Reference or Alt. Location Stakes Set: NO

Best Accessibility to Location: FROM COUNTY ROAD

Distance and Direction from Hwy. Jct. or town: FROM INTERSECTION OF HWY 270 AND I-40 HEAD SOUTH ON HWY 270 FOR .5 MILES, TURN EAST ON W ELM ST. FOR 2.7 MILES, TURN NORTH INTO LOCATION.

LEGEND

EXISTING WELL	SURFACE LOCATION
PROPOSED DRILL PATH	BOTTOM HOLE/LANDING POINT
EXISTING PIPELINE	
ELECTRIC LINE	
OVERHEAD POWER	
FENCE	

Fred A. Selesky 1-18-2018
FRED ANTHONY SELENSKY
OKLAHOMA L.P.L.S. NO. 1860



Gateway
Gateway Services Group, LLC
P.O. 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

PALOMA OPERATING COMPANY, INC
SUMMER MOON 8-12N-8W 1H
231' FSL - 1813' FEL
SECTION 08, T 12 N - R 08 W, I.M.,
CANADIAN COUNTY, OKLAHOMA

DRAWN BY: CLC		DATE: 04/27/17	CHK'D: BDW
GATEWAY NO.: 17-0206-001 R7		SCALE: 1"=1000'	
PAD#:		WELL#:	
REV.	DWN.	DESCRIPTION	DATE
4	TLM	CHANGED FIRST TAKE POINT	08/14/17
5	TLM	MOVED WELL & PAD	08/18/17
6	TLM	MOVED WELL & PAD	11/01/17
7	TLM	ADJUSTMENTS	01/11/18

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.

X: (1976653.9)
Y: (195451.3)

BEARINGS ARE GRID
OKLAHOMA SPC, NAD 27, NORTH ZONE

X: 1979286.1
Y: 195461.8

X: (1981924.1)
Y: (195480.5)

PROPOSED
BOTTOM HOLE
65' FNL - 2320' FEL
N35°32'12"
W98°04'07"
N35.536776°
W98.068548°
X: 1979604
Y: 195399

PROPOSED
LAST TAKE POINT
165' FNL - 2320' FEL
N35°32'11"
W98°04'07"
N35.536502°
W98.068548°
X: 1979604
Y: 195299

X: (1976651.8)
Y: (192819.5)

X: (1981924.5)
Y: (192836.5)

PROPOSED
FIRST TAKE POINT
550' FSL - 2320' FEL
N35°31'26"
W98°04'07"
N35.523978°
W98.068535°
X: 1979605
Y: 190740

PROPOSED
SURFACE HOLE
231' FSL - 1813' FEL
N35°31'23"
W98°04'01"
N35.523104°
W98.066829°
X: 1980112
Y: 190422

X: 1976649.7
Y: 190187.6

X: 1979290.9
Y: 190190.0

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X: 1981924.9
Y: 190192.5
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Date Staked: 04/25/17

Well No.: 1H

Elevation: 1410'

Topography and Vegetation: PASTURE

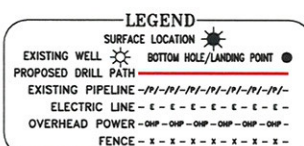
Reference or Alt. Location Stakes Set: NO

Best Accessibility to Location: FROM COUNTY ROAD

Distance and Direction from Hwy. Jct. or town: FROM INTERSECTION OF HWY 270 AND I-40 HEAD SOUTH ON HWY 270 FOR .5 MILES. TURN EAST ON W ELM ST. FOR 2.7 MILES. TURN NORTH INTO LOCATION.

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

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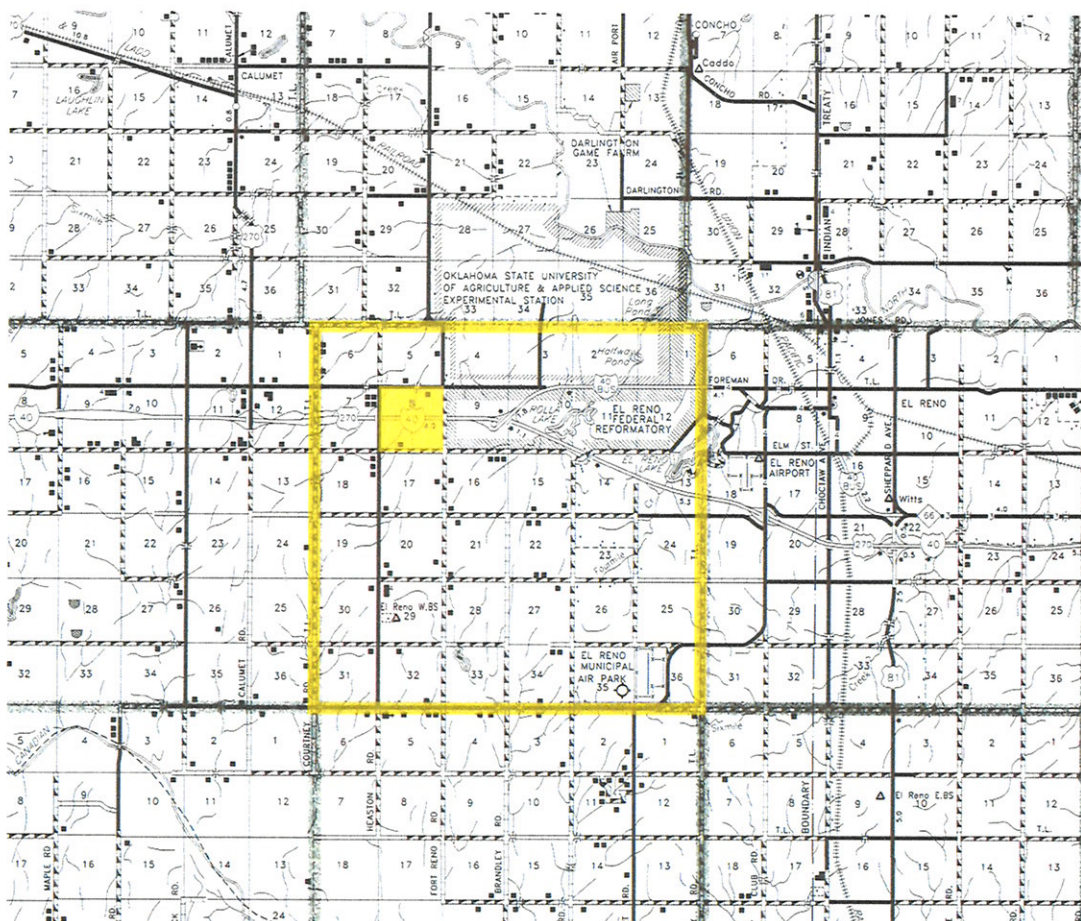
PALOMA OPERATING COMPANY, INC
SUMMER MOON 8-12N-8W 1H
231' FSL - 1813' FEL
SECTION 08, T 12 N - R 08 W, I.M.,
CANADIAN COUNTY, OKLAHOMA

DRAWN BY: CLC		DATE: 04/27/17	CHK'D: BDW
GATEWAY NO.: 17-0206-002 R7		SCALE: 1"=1000'	
PAD#:		WELL#:	
REV.	DWN.	DESCRIPTION	DATE
4	TLM	CHANGED FIRST TAKE POINT	08/14/17
5	TLM	MOVED WELL & PAD	08/18/17
6	TLM	MOVED WELL & PAD	11/01/17
7	TLM	ADJUSTMENTS	01/11/18

SECTION 08, T 12 N - R 08 W, I.M.,
CANADIAN COUNTY, OKLAHOMA

VICINITY MAP

BEARINGS ARE GRID
OKLAHOMA SPC. NAD 27, NORTH ZONE



SEC. 08 TWP. 12N RNG. 08W
COUNTY CANADIAN STATE OK
OPERATOR PALOMA OPERATING COMPANY, INC.

SCALE: 1"=3 MILES

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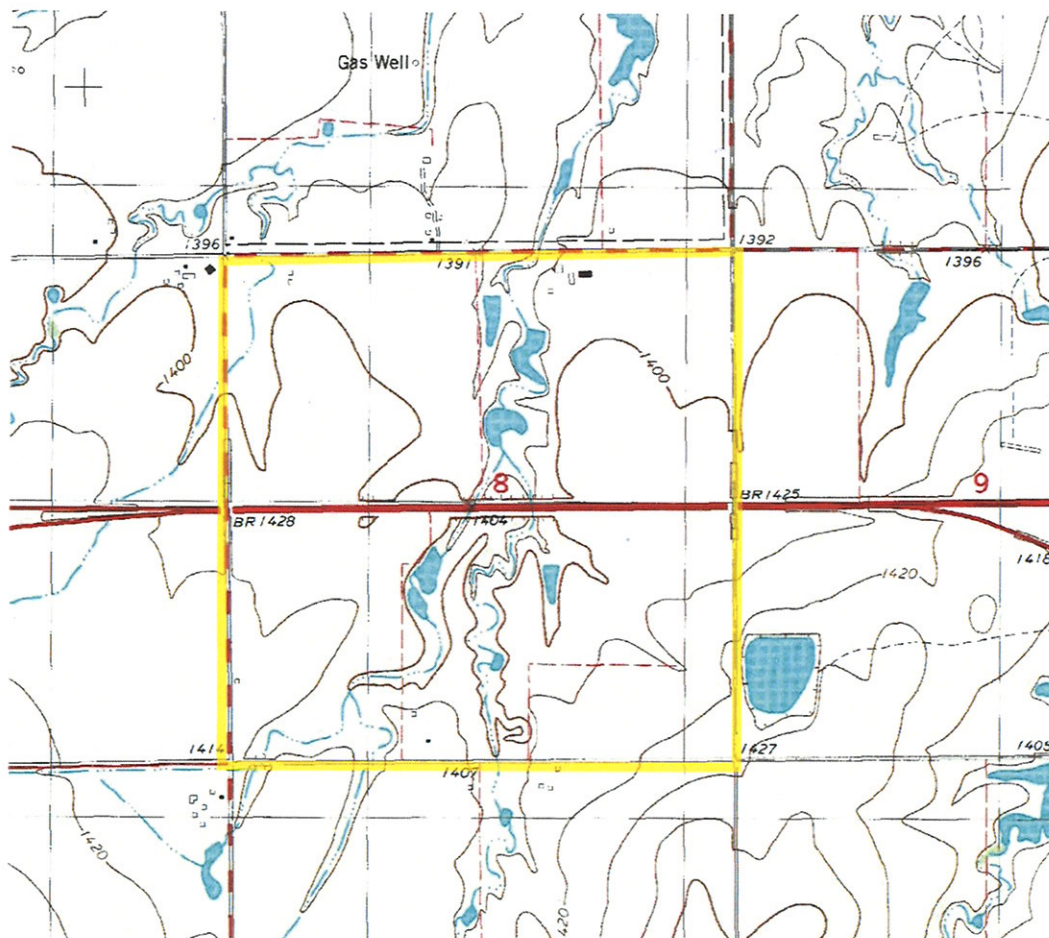
PALOMA OPERATING COMPANY, INC
SUMMER MOON 8-12N-8W 1H
231' FSL - 1813' FEL
SECTION 08, T 12 N - R 08 W, I.M.,
CANADIAN COUNTY, OKLAHOMA

DRAWN BY: CLC		DATE: 04/27/17	CHK'D: BDW
GATEWAY NO.: 17-0206-003 R6		SCALE: 1"=3 MILES	
PAD#:		WELL#:	
REV.	DWN.	DESCRIPTION	DATE
3	TLM	MOVED WELL PAD	08/08/17
4	TLM	MOVED WELL & PAD	08/18/17
5	TLM	MOVED WELL & PAD	11/01/17
6	TLM	MOVED WELL HEAD	01/11/18

SECTION 08, T 12 N - R 08 W, I.M.,
CANADIAN COUNTY, OKLAHOMA

LOCATION & ELEVATION VERIFICATION MAP

BEARINGS ARE GRID
OKLAHOMA SPC, NAD 27, NORTH ZONE



SEC. 08 TWP. 12N RNG. 08W
COUNTY CANADIAN STATE OK
OPERATOR PALOMA OPERATING COMPANY, INC
DESCRIPTION 228' FSL - 1809' FEL-SE/4
LEASE SUMMER MOON 8-12N-8W 1H
ELEVATION 1410' AT STAKE
U.S.G.S TOPOGRAPHIC
QUADRANGLE MAP FORT RENO

ABOVE BACKGROUND DATA FROM
U.S.G.S. TOPOGRAPHIC MAP
SCALE: 1"=2000'

CONTOUR INTERVAL 10'



Gateway Services Group, LLC

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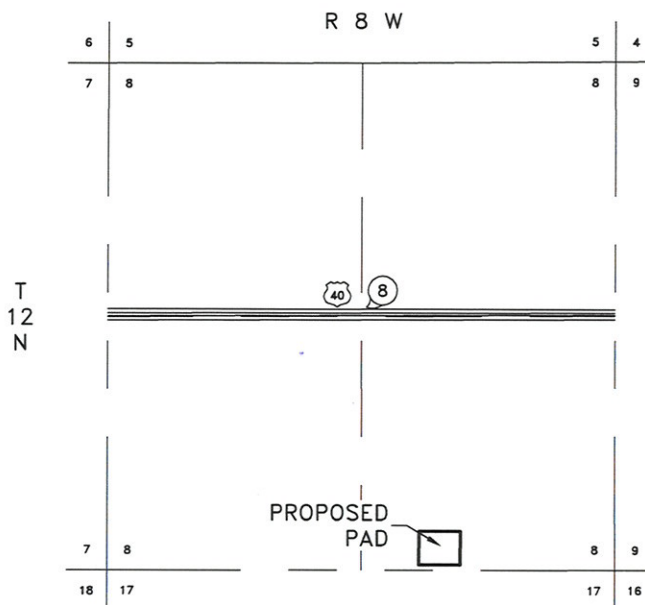
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PALOMA OPERATING COMPANY, INC
SUMMER MOON 8-12N-8W 1H
231' FSL - 1813' FEL
SECTION 08, T 12 N - R 08 W, I.M.,
CANADIAN COUNTY, OKLAHOMA

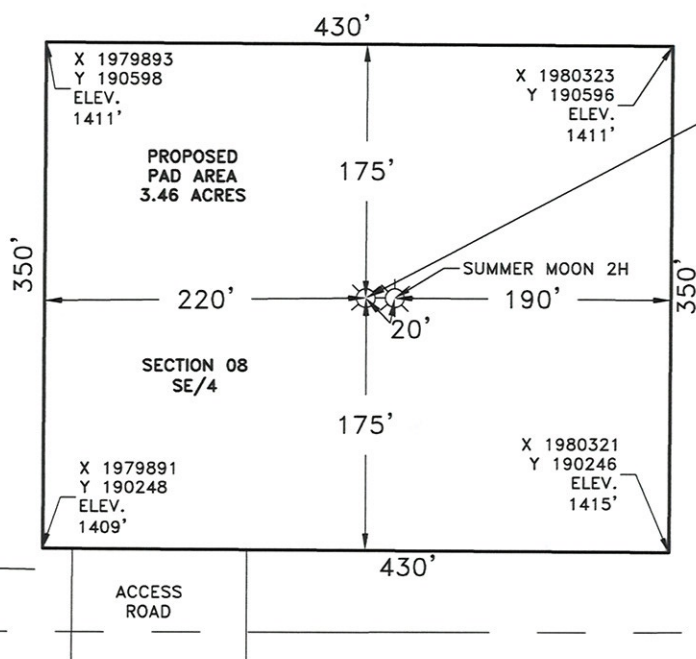
DRAWN BY: CLC		DATE: 04/27/17	CHK'D: BDW
GATEWAY NO.: 17-0206-004 R6		SCALE: 1"=2000'	
PAD#:		WELL#:	
REV.	DWN.	DESCRIPTION	DATE
3	TLM	MOVED WELL PAD	08/08/17
4	TLM	MOVED WELL & PAD	08/18/17
5	TLM	MOVED WELL & PAD	11/01/17
6	TLM	MOVED WELL HEAD	01/11/18

SECTION 08, T 12 N - R 08 W, I.M.,
CANADIAN COUNTY, OKLAHOMA

BEARINGS ARE GRID
OKLAHOMA SPC, NAD 27, NORTH ZONE



VICINITY MAP SCALE: 1"=2000'



SUMMER MOON 8-12N-8W SHL
231' FSL - 1813' FEL
ELEV. 1410'
X: 1980112
Y: 190422
LAT: N35°31'23"
LONG: W98°04'01"

EXISTING PIPELINE, DCP

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SUMMER MOON 8-12N-8W 1H
231' FSL - 1813' FEL
SECTION 08, T 12 N - R 08 W, I.M.,
CANADIAN COUNTY, OKLAHOMA

DRAWN BY: TLM		DATE: 04/27/17	CHK'D: BDW
GATEWAY NO.: 17-0206-005 R7		SCALE: N.T.S.	
PAD#:		WELL#:	
REV.	DWN.	DESCRIPTION	DATE
4	TLM	MOVED WELL PAD	08/08/17
5	TLM	MOVED WELL PAD	08/18/17
6	TLM	MOVED WELL & PAD	11/01/17
7	TLM	ADJUSTMENTS	01/11/18