

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

API NUMBER: 093 25121

Approval Date: 01/19/2018

Expiration Date: 07/19/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 22N Rge: 12W County: MAJOR

SPOT LOCATION: ☐ SW ☐ SE ☐ SW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 200 731

Lease Name: NICKEL Well No: 1-26H Well will be 200 feet from nearest unit or lease boundary.

Operator Name: FAIRWAY RESOURCES OPERATING III LLC

Telephone: 8176010628

OTC/OCC Number: 23943 0

FAIRWAY RESOURCES OPERATING III LLC
538 SILICON DR STE 101
SOUTHLAKE, TX 76092-7517

LYLE NICKEL, SUCCESSOR TRUSTEE
2318 SKYVIEW CIRCLE
ENID OK 73703

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

	Name	Depth	Name	Depth
1	MERAMEC	7042	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 63848

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201800313
201800312
201800311

Special Orders:

Total Depth: 12000

Ground Elevation: 1223

Surface Casing: 900

Depth to base of Treatable Water-Bearing FM: 550

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: 55000 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 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: FLOWERPOT

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-33771
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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.

HORIZONTAL HOLE 1

Sec 26 Twp 22N Rge 12W County MAJOR

Spot Location of End Point: SE SW SW SW

Feet From: SOUTH 1/4 Section Line: 150

Feet From: WEST 1/4 Section Line: 380

Depth of Deviation: 6284

Radius of Turn: 477

Direction: 182

Total Length: 4967

Measured Total Depth: 12000

True Vertical Depth: 7042

End Point Location from Lease,

Unit, or Property Line: 150

Notes:

Category

Description

DEEP SURFACE CASING

1/16/2018 - 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

1/16/2018 - 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

PENDING CD - 201800311

1/16/2018 - G75 - (E.O.) 26-22N-12W
X63848 MRMC, OTHER
XOTHER
1 WELL
NO OP. NAMED
REC 1-19-2018 (P. PORTER)

PENDING CD - 201800312

1/16/2018 - G75 - (E.O.) 26-22N-12W
X63848 MRMC, OTHER
XOTHER
COMPL. INT. NCT 150' FNL, NCT 150' FSL, NCT 330' FWL
NO OP. NAMED
REC 1-19-2018 (P. PORTER)

PENDING CD - 201800313

1/16/2018 - G75 - (E.O.) 26-22N-12W
X165:10-3-28(C)(2)(B) MRMC (NICKEL 1-26H)
MAY BE CLOSER THAN 600' TO ARLIE 1-26 & REESE 1-26
FAIRWAY RESOURCES OPERATING III LLC
REC 1-19-2018 (P. PORTER)

SPACING - 63848

1/16/2018 - G75 - (640) 26-22N-12W
EXT 60260/63694 MRMC, OTHERS

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093 25121 NICKEL 1-26H

API 093-25121

API NUMBER: 000 00000

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

Approval Date:

Expiration Date:

Horizontal Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 22N Rge: 12W

County: MAJOR

SPOT LOCATION: SW SE SW SW

FEET FROM QUARTER: 200 SOUTH FROM WEST

SECTION LINES: 200 31

Lease Name: NICKEL

Well No: 1-26H

Well will be 200 feet from nearest unit or lease boundary.

Operator
Name:

FAIRWAY RESOURCES OPERATING III LLC

Telephone: 8176010628

DTC/OCC Number: 23943 0

FAIRWAY RESOURCES OPERATING III LLC

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SOUTHLAKE, TX 76092-7517

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Spacing Orders: 63848

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201800313
201800312
201800311

(E.O.) Hearings 1-19-2018

Special Orders:

Total Depth: 12000

Ground Elevation: 1223

Surface Casing: 900

Depth to base of Treatable Water-Bearing FM: 550

Deep surface casing has been approved

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

Approved Method for disposal of Drilling Fluids:

Pit 1: water-based, closed
SSK - SK ppm chlorides

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

PERMIT NO: 18-33771

H. closed system = steel pits per operator request

**TEMPORARY AUTHORIZATION
TO DRILL**

Expiration Date: 1-24-2018

Signature: Virginia Hullinger

165:10-31-1

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

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Office of the Conservation Division as to when Surface Casing will be run.

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Application for Intent to Drill

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000 00000 NICKEL 1-26H



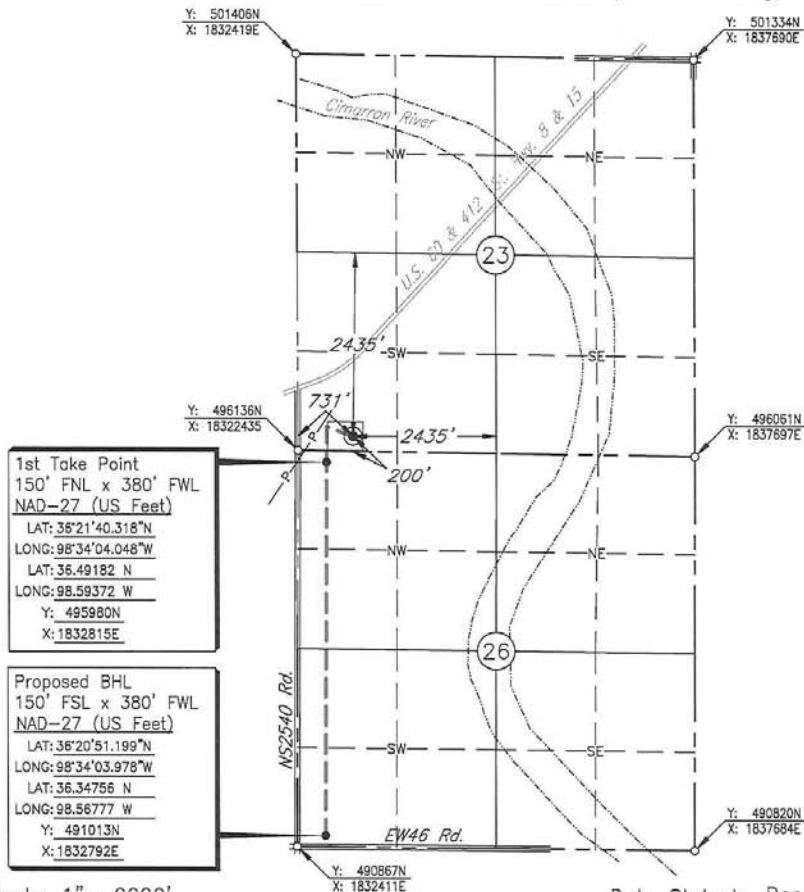
CIMARRON
SURVEYING & MAPPING CO.
C.A. No. 1780 Expires June 30, 2018

1530 SW 89th STREET, Bldg. C3
Oklahoma City, OK
(405) 692.7348
WWW.CIMSURVEY.COM

MAJOR

County, Oklahoma

200' FSL - 731' FWL Section 23 Township 22N Range 12W I.M.



Scale: 1" = 2000'

Date Staked: December 14, 2017

GPS Observation: Latitude 36°21'53.751" N
Longitude 98°33'59.779" W
Latitude 36.36215 N
Longitude 98.56661 W

State Plane NAD27 Y: 496325N
Oklahoma North Zone: X: 1833166E

Operator: FAIRWAY RESOURCES OPERATING III, LLCElevation: 1223'Lease Name: NICKELWell No.: 1-26HTopography & Vegetation: PastureAlternate Location Stakes Set: NoGood Drill Site? YesBest Accessibility to Location: From the West Line

Distance & Direction

from Hwy Jct or Town: From the Town of Orienta; Thence Northeast approx. 1/2 mile;Thence South 1/4 mile to the SW Corner of Section 23.

SURVEYOR'S CERTIFICATE:

I, D. MIKE DOSSEY, Registered Professional Land Surveyor, No. 1431
do hereby certify that the above described well location was
carefully staked on the ground as shown and that all ties and
distances shown are from existing lines of occupation.

JOB NO.: 1714209A_27

DATE: 01/11/18

DRAWN BY: N.J.S.

NO.

REVISION

DATE

BY

D. MIKE DOSSEY R.P.L.S. # 1431

