

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

API NUMBER: 073 25899

Approval Date: 01/22/2018

Expiration Date: 07/22/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 35 Twp: 16N Rge: 6W

County: KINGFISHER

SPOT LOCATION:

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 322 1169

Lease Name: PEAT 1606

Well No: 10-26MH

Well will be 322 feet from nearest unit or lease boundary.

Operator Name: OKLAHOMA ENERGY ACQUISITIONS LP

Telephone: 2815300991

OTC/OCC Number: 23509 0

OKLAHOMA ENERGY ACQUISITIONS LP
15021 KATY FREEWAY STE 400
HOUSTON, TX 77094-1900

WILLIAM & MARY JEANNETTE GARMS
P.O. BOX 1822
NORMANGEE TX 77871

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

| Name | Depth | Name | Depth |
|------------------------------|-------|------|-------|
| 1 MISSISSIPPIAN (EX CHESTER) | 7610 | 6 | |
| 2 | | 7 | |
| 3 | | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: 656923
661816

Location Exception Orders:

Increased Density Orders: 671464

Pending CD Numbers: 201707305

Special Orders:

Total Depth: 12500

Ground Elevation: 1126

Surface Casing: 500

Depth to base of Treatable Water-Bearing FM: 250

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: 4000 Average: 1800

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: SALT PLAINS

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-33788
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 16N Rge 6W County KINGFISHER

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 355

Depth of Deviation: 6949

Radius of Turn: 382

Direction: 5

Total Length: 4951

Measured Total Depth: 12500

True Vertical Depth: 7610

End Point Location from Lease,

Unit, or Property Line: 165

Notes:

Category

Description

HYDRAULIC FRACTURING

1/17/2018 - 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

INCREASED DENSITY - 671464

1/19/2018 - G75 - 26-16N-6W
X656923/661816 MSNLC
3 WELLS
OKLAHOMA ENERGY ACQUISITIONS, LP
12-27-2017

PENDING CD - 201707305

1/19/2018 - G75 - (I.O.) 26-16N-6W
X656923/661816 MSNLC
COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FEL **
NO OP. NAMED
REC 11-20-2017 (MILLER)

** ITD HAS LATERAL DRILLED IN OPPOSITE DIRECTION; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER OPERATOR

SPACING - 656923

1/19/2018 - G75 - (640)(HOR) 26-16N-6W
VAC OTHER
EXT OTHERS
EXT 648302 MSNLC
POE TO BHL NLT 660' FB
(COEXIST SP. ORDER # 55880/62761 MSSLM)

SPACING - 661816

1/19/2018 - G75 - CONFIRM 656923 AFTER FAILURE TO NOTICE CERTAIN RESPONDENTS

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073 25899 PEAT 1606 10-26MH



STATE PLANE NAD 27 Y: 300902N
OKLAHOMA NORTH ZONE X: 2058653E

Date Staked: 12/18/2017

Well No.: 10-26MH

Elevation: 1126'

Good Drill Site? YES

Reference or Alt. Location Stakes Set: NONE

Best Accessibility to Location: FROM COUNTY ROAD

from Hwy. Jct. or town: FROM THE JUNCTION OF US HWY. 81 AND ST. HWY 33 IN KINGFISHER, OK.

HEAD EAST 6.6 MILES ON ST. HWY 33, THEN SOUTH 2.0 MILES ON EARLS ROAD/CO. RD. N2910, THEN

EAST 0.8 MILE ON CO. RD. E0820, TURN SOUTH INTO LOCATION.

FRED ANTHONY
SELESKY
1-12-2018
1860
OKLAHOMA

Gateway
Gateway Services Group, LLC

PO. 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

PEAT 1606 10-26MH
322'FNL - 1169'FEL
SECTION 35, T 16 N - R 06 W, I.M.,
KINGFISHER COUNTY, OKLAHOMA

| | | | |
|----------------------------|------|----------------|-----------------|
| DRAWN BY: JE | | DATE: 11/29/17 | CHK'D: CWP |
| GATEWAY NO.: 17-0752-301R2 | | | SCALE: 1"=2000' |
| PN: | | AFE: | |
| REV. | DWN. | DESCRIPTION | DATE |
| 1 | JE | RESTAKE | 11/29/17 |
| 2 | JE | RESTAKE | 12/19/17 |