

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

API NUMBER: 121 21501 B

Approval Date: 11/08/2018

Expiration Date: 05/08/2020

Directional Hole Oil & Gas

PERMIT TO RE-ENTER

WELL LOCATION: Sec: 29 Twp: 2N Rge: 14E County: PITTSBURG

SPOT LOCATION: S2 SE SE SE FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 250 2310

Lease Name: ERA BURNETT Well No: 1-29 Well will be 250 feet from nearest unit or lease boundary.

Operator Name: BLUE WATER TPX OPERATING COMPANY LLC

Telephone: 4053487201

OTC/OCC Number: 24207 0

BLUE WATER TPX OPERATING COMPANY LLC
841 S KELLY AVE
EDMOND, OK 73003-5658

CHOCTAW NATION OF OKLAHOMA
P.O. BOX 1210
DURANT OK 74702

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

| | Name | Depth | Name | Depth |
|---|--------------|-------|------|-------|
| 1 | MIDDLE ATOKA | 5000 | 6 | |
| 2 | BASAL ATOKA | 10400 | 7 | |
| 3 | WAPANUCKA | 12350 | 8 | |
| 4 | | | 9 | |
| 5 | | | 10 | |

Spacing Orders: 340158

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 17500

Ground Elevation: 800

Surface Casing: 723 IP

Depth to base of Treatable Water-Bearing FM: 160

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: 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 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: DELAWARE CREEK

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

E. Haul to Commercial pit facility: Sec. 19 Twn. 8N Rng. 5E Cnty. 125 Order No: 274874

DIRECTIONAL HOLE 1

Sec 29 Twp 2N Rge 14E County PITTSBURG

Spot Location of End Point: NE NW SE NW

Feet From: SOUTH 1/4 Section Line: 1129

Feet From: EAST 1/4 Section Line: 844

Measured Total Depth: 17500

True Vertical Depth: 16076

End Point Location from Lease,

Unit, or Property Line: 1511

Notes:

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.

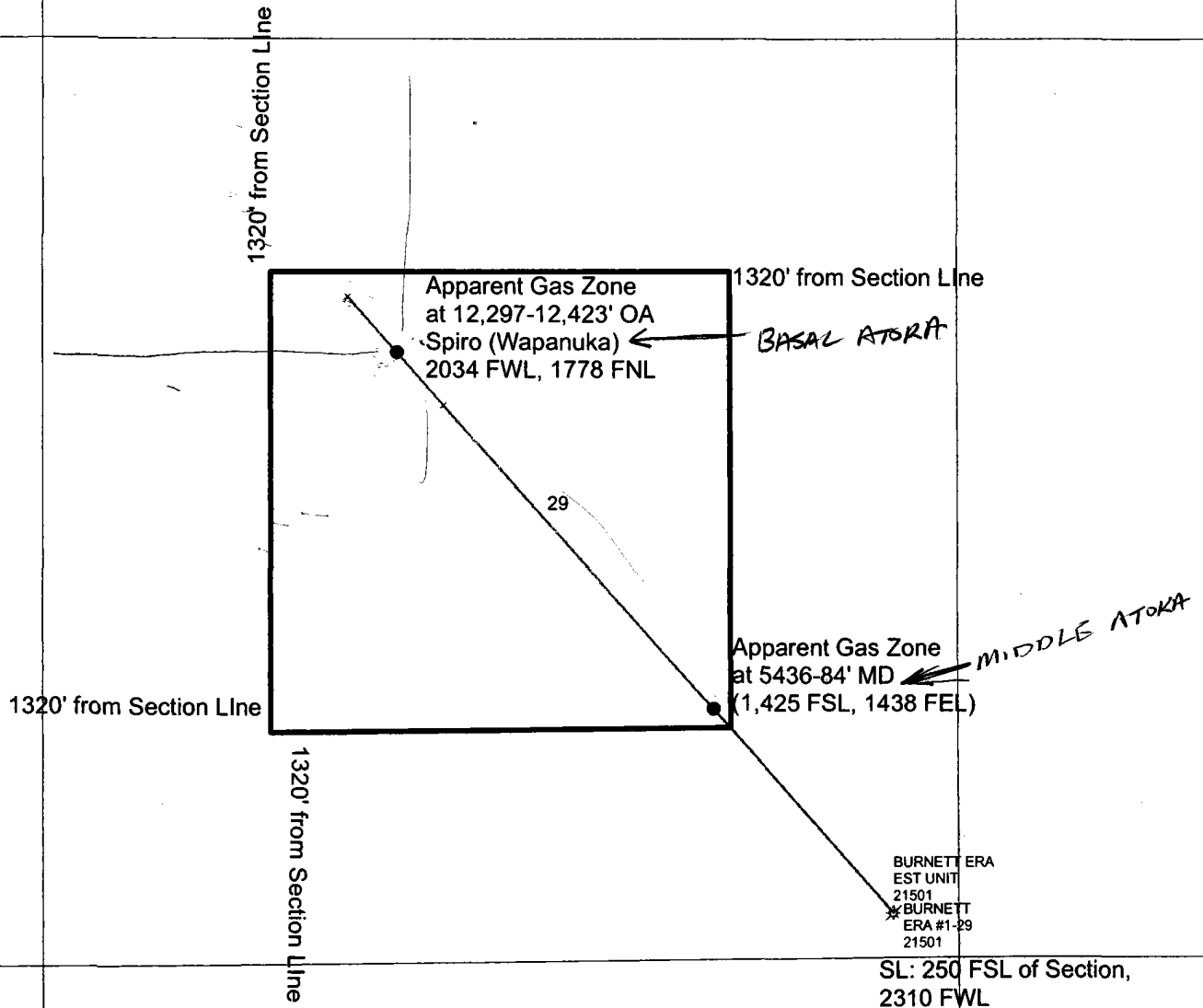
| Category | Description |
|----------------------|--|
| HYDRAULIC FRACTURING | <p>9/6/2018 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;</p> <p>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,</p> <p>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</p> |
| INTENT TO DRILL | <p>11/6/2018 - G75 - SURFACE LOCATION WITHIN LAKE ATOKA & MCGEE CREEK RESERVOIR PER OCC 165:10-29-1</p> |
| POINT OF ENTRY | <p>11/8/2018 - G75 - POINT OF ENTRY FOR ALL FORMATIONS IS GREATER THAN 1320' FROM BOUNDARIES OF 29-2N-14E PER OPERATOR</p> |
| SPACING - 340158 | <p>11/6/2018 - G75 - (640) 29-2N-14E EST OTHERS EXT 66893/266733/267244 ATOKM, ATKBA, WPCK, OTHERS EXT OTHERS</p> |

T2N-R14E
Pittsburg County, OK

API 121-21501 B

Burnett 1-29
A

J & J
#1-20
23452



Blue Water TPX Operating Company, LLC

Era Burnett #29-1

Gas Location Map

Date: 8/28/2018

0 250 500 1,000
Feet

SMITH
JACK #
00548