

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

API NUMBER: 091 21809

Approval Date: 09/14/2018

Expiration Date: 03/14/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 9N Rge: 13E County: MCINTOSH

SPOT LOCATION: ☐ NW ☐ SW ☐ SW ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 2064 253

Lease Name: SCHRUTE FARMS Well No: 1-17-29CH Well will be 253 feet from nearest unit or lease boundary.

Operator Name: CALYX ENERGY III LLC

Telephone: 9189494224

OTC/OCC Number: 23515 0

CALYX ENERGY III LLC
6120 S YALE AVE STE 1480
TULSA, OK 74136-4226

JACK CAMPBELL RANCH, LLC
399356 HWY 9
HANNA OK 74845

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	4455	6	
2	WOODFORD	4805	7	
3			8	
4			9	
5			10	

Spacing Orders: 516040
529441

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201805917
201805918

Special Orders:

Total Depth: 17928

Ground Elevation: 833

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 170

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: AIR

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 located in a Hydrologically Sensitive Area.

Category of Pit: 4

Liner not required for Category: 4

Pit Location is BED AQUIFER

Pit Location Formation: SENORA

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

B. Solidification of pit contents.

F. Haul to Commercial soil farming facility: Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 551649

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: 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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: SENORA

HORIZONTAL HOLE 1

Sec 29 Twp 9N Rge 13E County MCINTOSH

Spot Location of End Point: S2 SE SE SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 330

Depth of Deviation: 4173

Radius of Turn: 382

Direction: 180

Total Length: 13155

Measured Total Depth: 17928

True Vertical Depth: 4900

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category

Description

DEEP SURFACE CASING

9/7/2018 - GA3 - 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

9/7/2018 - GA3 - 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

MEMO

9/7/2018 - GA3 - PIT 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, WBM/CUTTINGS CAPTURED IN CONCRETE-LINED PIT, SOLIDIFIED AND HELD UNTIL DISPOSAL APPROVED BY OCC

PENDING CD - 201805917

9/10/2018 - G57 - (I.O.) 17, 20, 29-9N-13E
X516040 MSSP, WDFD 17 & 20-9N-13E
X529441 MSSP, WDFD 29-9N-13E
COMPL. INT. (17-9N-13E) NCT 165' FNL, NCT 0' FSL, NCT 330' FEL
COMPL. INT. (20-9N-13E) NCT 0' FNL, NCT 0' FSL, NCT 330' FEL
COMPL. INT. (29-9N-13E) NCT 0' FNL, NCT 165' FSL, NCT 330' FEL
NO OP. NAMED
REC 8-28-2018 (DUNN)

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

091 21809 SCHRUTE FARMS 1-17-29CH

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
PENDING CD - 201805918	<p>9/10/2018 - G57 - (I.O.) 17, 20, 29-9N-13E EST MULTIUNIT HORIZONTAL WELL X516040 MSSP, WDFD 17 & 20-9N-13E X529441 MSSP, WDFD 29-9N-13E (WDFD IS AN ADJACENT COMMON SOURCE OF SUPPLY TO THE MSSP) 33% 17-9N-13E ** 33% 20-9N-13E ** 34% 29-9N-13E ** CALYX ENERGY III, LLC. REC 8-28-2018 (DUNN)</p> <p>**S/B 22% 17-9N-13E, 53% 20-9N-13E, 25% 29-9N-13E; WILL BE CORRECTED AT THE HEARING FOR THE FINAL ORDER</p>
SPACING - 516040	<p>9/10/2018 - G57 - (640) 17 & 20-9N-13E VAC OTHERS EXT OTHERS EST MSSP, WDFD, OTHERS</p>
SPACING - 529441	<p>9/10/2018 - G57 - (640) 29-9N-13E EXT 516040 MSSP, WDFD, OTHERS EST OTHERS</p>

