API NUMBER: 153 23632

Oil & Gas

Horizontal Hole

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

Approval Date: 08/20/2018
Expiration Date: 02/20/2019

PERMIT TO DRILL

| WELL LOCATION: | Sec: | 14 Twr | o: 20N | Rge: | 20V | / Co | ounty: | woo | DWARD | | |
|----------------|-----------|--------|--------|------|-----|------------------|--------|------|-------|------|------|
| SPOT LOCATION: | NW | NW . | SE | sw | | FEET FROM QUARTI | ER: | FROM | SOUTH | FROM | WEST |
| | | | | | | SECTION LINES: | | | 1000 | | 1585 |
| Lease Name: . | JOAN 23-2 | 20-20 | | | | | Well | No: | 1H | | |

Well will be 1000 feet from nearest unit or lease boundary.

Operator TAPSTONE ENERGY LLC Telephone: 4057021600 OTC/OCC Number: 23467 0

TAPSTONE ENERGY LLC

100 E MAIN ST

OKLAHOMA CITY. OK 73104-2509

JAMES C. BORDEN, JR. & JOAN BORDEN

RT. 2, BOX 45

VICI OK 73859

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

| | Name | Depth | Name | Depth |
|-----------------|---------------|----------------------------|------|---------------------------|
| 1 | MISSISSIPPIAN | 11950 | 6 | |
| 2 | | | 7 | |
| 3 | | | 8 | |
| 4 | | | 9 | |
| 5 | | | 10 | |
| Spacing Orders: | No Spacing | Location Exception Orders: | | Increased Density Orders: |

Pending CD Numbers: 201806062 Special Orders:

201806063

Total Depth: 17200 Ground Elevation: 2166 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 410

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

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 D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-35078
Chlorides Max: 8000 Average: 5000 H. SEE MEMO

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?

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: OGALLALA

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C
Pit Location is BED AQUIFER
Pit Location Formation: OGALLALA

HORIZONTAL HOLE 1

Sec 23 Twp 20N Rge 20W County WOODWARD

Spot Location of End Point: S2 S2 S2 S2 Feet From: SOUTH 1/4 Section Line: 165
Feet From: WEST 1/4 Section Line: 2640

Depth of Deviation: 11643
Radius of Turn: 382
Direction: 172
Total Length: 4957

Measured Total Depth: 17200

True Vertical Depth: 11950

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

Notes:

MEMO

Category Description

DEEP SURFACE CASING 8/20/2018 - 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 8/20/2018 - 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

8/20/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201806062 8/20/2018 - G57 - (E.O.)(640)(HOR) 23-20N-20W

VAC 69796 MISS VAC 137969 CSTR EXT 658420 MSSP POE TO BHL NLT 660' FB REC 8-17-2018 (P. PORTER)

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

PENDING CD - 201806063

8/20/2018 - G57 - (E.O.) 23-20N-20W X201806062 MSSP COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 800' FWL TAPSTONE ENERGY, LLC. REC 8-17-2018 (P. PORTER)

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

13800 WIRELESS WAY, OKLA. CITY, OKLA. 73134 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219

Certificate of Authorization No. 1293 LS
WOODWARD
County, Oklahoma

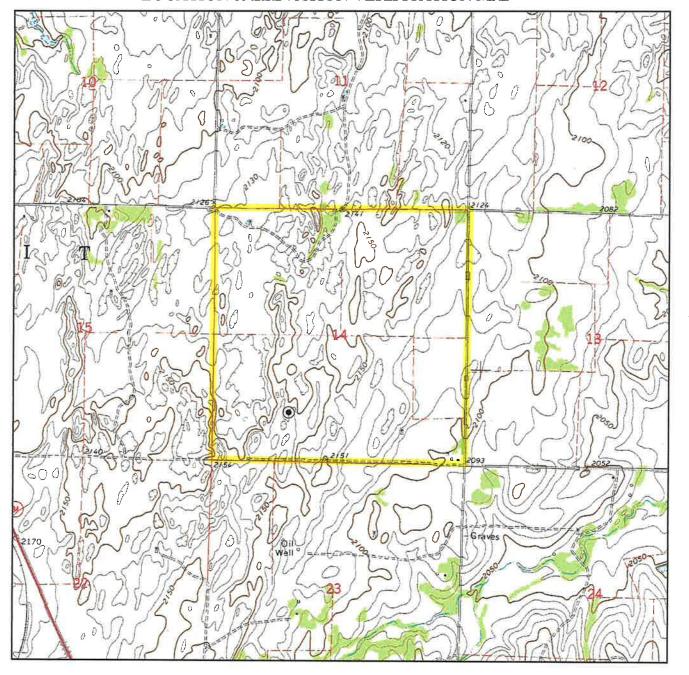
API:153 23632 County, Oklahoma 20N Range 20W I.M. 1000'FSL-1585'FWL 14 Section Township Range he information shown herein X= 1616069 Y= 445738 construction purposes ONLY 20GR46/ 2-N-5 11 ō GRID NAD-27 OK NORTH US Feet or 500 1000 X= 1613399 Y= 443132 X= 1618668 Y= 443074 14 Distance & from Hwy . Operator: _ease Name: JOAN 23-20-20 opography & Vegetation Accessibility to Drill 1635 ጵ & Direction
/ Jct or Tow Site? TAPSTONE ENERGY Sec. own Location 1585 Yes From Loc. T20N-R20W 10003 From fell EXISTING WELL NOT SURVEYED Sharon, X= 1613379 Y= 440504 X= 1618624 Y= 440426 Ξ. South LANDING POINT 165'FNL-1767'FWL NAD-27 (US Feet) 36'12'09.1"N 99'18'16.0"W 36.202514053'N 99.304453621'W X= 1615140 Y= 440312 X= 1616003 Y= 440464 웃 Reference Stakes Set ±248 off sandy 90 county South Set pasture, Stakes or None #5 road miles, ٥ ±250' We∥ Alternate then No.: 돔 East 으 Location E-W 1613289 437867 主 X= 1618563 Y= 437788 ±0.75 pipeline, miles **ELEVATION:** 2166' North of wind to Gr. at 2473 BOTTOM HOLE BOITOM HOLE 165'FSL-2640'FWL NAD-27 (US Feet) 36'11'20.1"N 99'18'06.5"W 36.188923764'N 99.301802296'W XE 1615856 Y= 435355 tower 6' WEST OF 1/4 SEC. LINE road 1613211 2651 165 X= 1618502 Y= 435150 435150 435150 435150 435150 435150 LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED. 1615857 435190 → Revision X C July 25, Date of Drawing: _ Date Staked: July 20, 2018 was receiver accuracy. Invoice # <u>298000</u> TR NAD-DATUM: 36°12'20.6"N LAT: LONG: 99'18'18.3"W **CERTIFICATE:** information w I with a GPS r foot Horiz./Vert. a SURVE LAT: _ 36.205715297°N DAN W. Dan W. Rogers an Oklahoma Licensed Land ROGERS LONG: 99.305078286°W Surveyor and an authorized agent of Topographic Land STATE PLANE Surveyors of Oklahoma, do hereby certify to the COORDINATES: (US Feet) information shown herein This gathered with ±1 fo ZONE: <u>OK NORTH</u> TLAHOMA 1614971 441480 Oklahoma Lic. No.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA
SS WAY, OKLA. CITY, OKLA. 73134 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
Certificate of Authorization No. 1293 LS
WOODWARD
County, Oklahoma 13800 WIRELESS WAY, OKLA County, Oklahoma 20N Range _20W_I.M. 1000'FSL-1585'FWL Range Section Township NOTE: The information shown herein construction purposes ONLY. ō GRID NAD-27 OK NORTH US Feet for 1000 from Hwy Distance & Direction opography & Vegetation Accessibility to Jct or Town JOAN Sec. 23-20-20 Location Loc. From fell Sharon, From ⊒. rolling 9 Reference Stakes off go sandy South county ±5 road miles, or Alternate Location ±250' then No. NΕ of East ± 0.75 miles **ELEVATION:** North to of. wind tower road LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFO PROVIDED BY OPERATOR LISTED, NOT SURVEYED. Revision X C Date of Drawing: July ESSIONAL Invoice # 298000 20, DATUM: NAD-27 LAT: 36°12'20.6"N was receiver accuracy. Date Staked: July LONG: 99°18'18.3"W **CERTIFICATE:** Jun W. Rogers ____ an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein LAT: 36.205715297°N DAN W. ROGERS LONG: 99.305078286°W 1200 STATE PLANE COORDINATES: (US Feet) ZONE: _ OK NORTH OKLAHOMA 1614971 200 441480 Oklahoma Lic. No.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

Surveying and Mapping for the Energy Industry
13800 Wireless Way, Oklahoma City, OK 73134 www.topographic.com
Telephone Numbers: Local (405) 843-4847 Toll Free (800) 654-3219

LOCATION & ELEVATION VERIFICATION MAP



 Sec.
 14
 Twp.
 20N
 Rng.
 20W
 IM

 County
 WOODWARD
 State
 OK

 Operator
 TAPSTONE ENERGY

 Description
 1000'FSL-1585'FWL

 Lease
 JOAN 23-20-20 1H

 Elevation
 2166' Gr. at Stake

Above Background Data from U.S.G.S. Topographic Map

Scale: 1"=2000'

Contour Interval _____10'

When elevation is shown hereon it is the ground elevation of the location stake.

Review this plat and inform us immediately of any possible discrepancy.

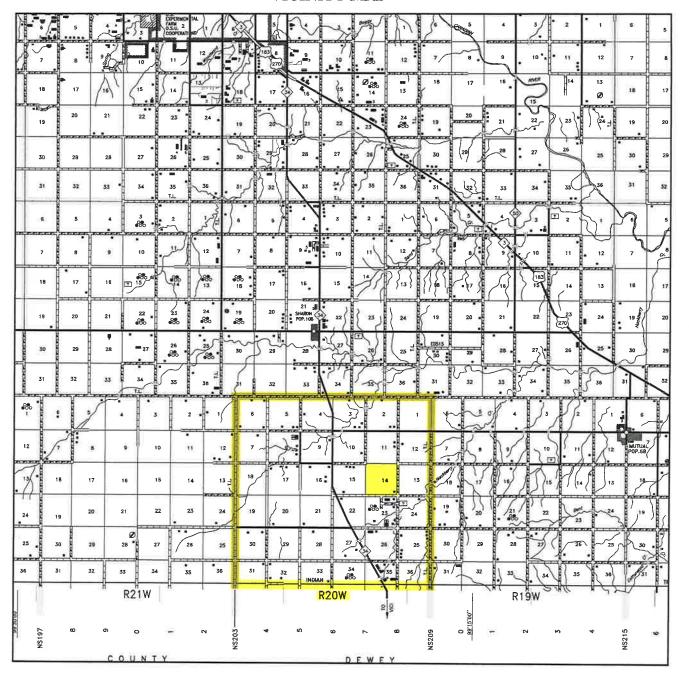


LAND SURVEYORS OF OKLAHOMA

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

Surveying and Mapping for the Energy Industry 13800 Wireless Way, Oklahoma City, OK 73134 www.topographic.com Telephone Numbers: Local (405) 843-4847 Toll Free (800) 654-3219

VICINITY MAP



Scale: 1" = 3 Miles

OGRADY

1950

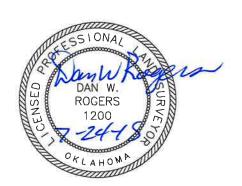
| Sec. 14 | Twp | 20N Rng. | 20W | IM |
|----------|----------|----------|-----|----|
| County | WOODWARD | State | OK | |
| Operator | TAPSTONE | ENERGY | | |

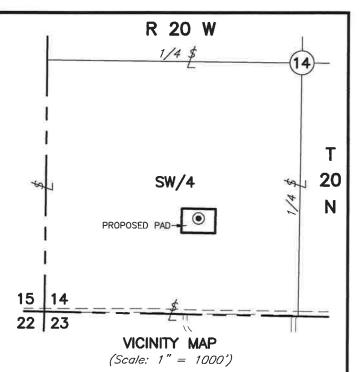


T 20 N - R 20 W (INDIAN MERIDIAN)

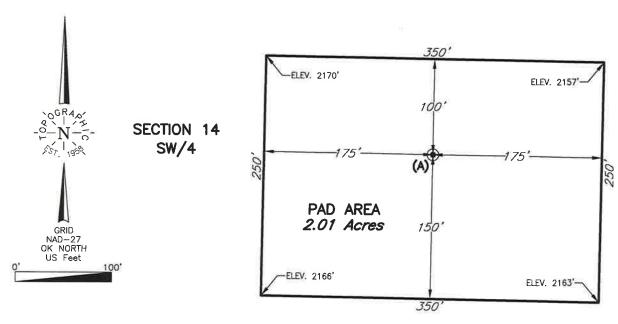
PLAT SHOWING

PROPOSED PAD AREA IN THE SW/4 OF SECTION 14, T20N — R20W WOODWARD COUNTY, OKLAHOMA





(A) TAPSTONE ENERGY JOAN 23-20-20 1H 1000'FSL-1585'FWL Elev. 2166' Gr.



NOTE:

The information shown herein is for construction purposes <u>ONLY.</u>

| NO. REVISION DATE BY and may not be relied upon by any other entity without the written consent of Innographic land Surveyage of Oldeborna IND/C | : 7/24/18 |
|--|----------------------|
| NO I REVISION I DATE I BY land many sol has referd used by each other solth. "IL. I II II | |
| DY ATE DE CONSTITUTE DE L'ESTE ABOUT DE LA CONSTITUTE MAIDER DE MAINE DE L'ESTE DE L'E | ICE NO.: 298000 |
| SUR. BY: DJ 7/20/18 TOPOGRADIJO JAND CHRYDODO OF OKLAHOMA FILE | NAME: L2186A1.DWG |
| | NO.:120010-L2-186-A1 |
| APPROVED BY: DR TS600 Wireless Way, Oklo. City, Ok. 73134 (405) 843-4847 SHE | T 1 OF 1 |