

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

API NUMBER: 017 25100

Horizontal Hole Oil & Gas

Approval Date: 11/03/2017
Expiration Date: 05/03/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 11N Rge: 8W

County: CANADIAN

SPOT LOCATION:

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 244 871

Lease Name: WATCH THIS 1208

Well No: 36-1WH

Well will be 244 feet from nearest unit or lease boundary.

Operator Name: 89 ENERGY LLC

Telephone: 4056006040

OTC/OCC Number: 23897 0

89 ENERGY LLC
105 N HUDSON AVE STE 650
OKLAHOMA CITY, OK 73102-4832

CURTIS D BLANC
7650 SOUTH REFORMATORY ROAD
EL RENO OK 73036

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

Name	Depth	Name	Depth
1 WOODFORD	10775	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 665691
667685

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 16100

Ground Elevation: 1396

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 430

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: 5000 Average: 3000

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: DOG CREEK

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-33243
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 36 Twp 12N Rge 8W County CANADIAN

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 100

Feet From: EAST 1/4 Section Line: 400

Depth of Deviation: 9787

Radius of Turn: 835

Direction: 2

Total Length: 5002

Measured Total Depth: 16100

True Vertical Depth: 10775

End Point Location from Lease,
Unit, or Property Line: 100

Notes:

Category	Description
COMPLETION INTERVAL	11/2/2017 - G60 - WILL BE LEGAL FOR THE WOODFORD NCT 165' FNL/FSL, NCT 330' FEL/FWL PER OPERATOR
DEEP SURFACE CASING	10/3/2017 - 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	10/3/2017 - 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
SPACING - 665691	10/13/2017 - G60 - (640)(HOR) 36-12-8W EST WDFD COMPL. INT. NCT 165' FNL/FSL, NCT 330' FEL/FWL
SPACING - 667685	10/13/2017 - G60 - NPT 665691 TO CRRECT LEGAL DESCRIPTION

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017 25100 WATCH THIS 1208 36-1WH

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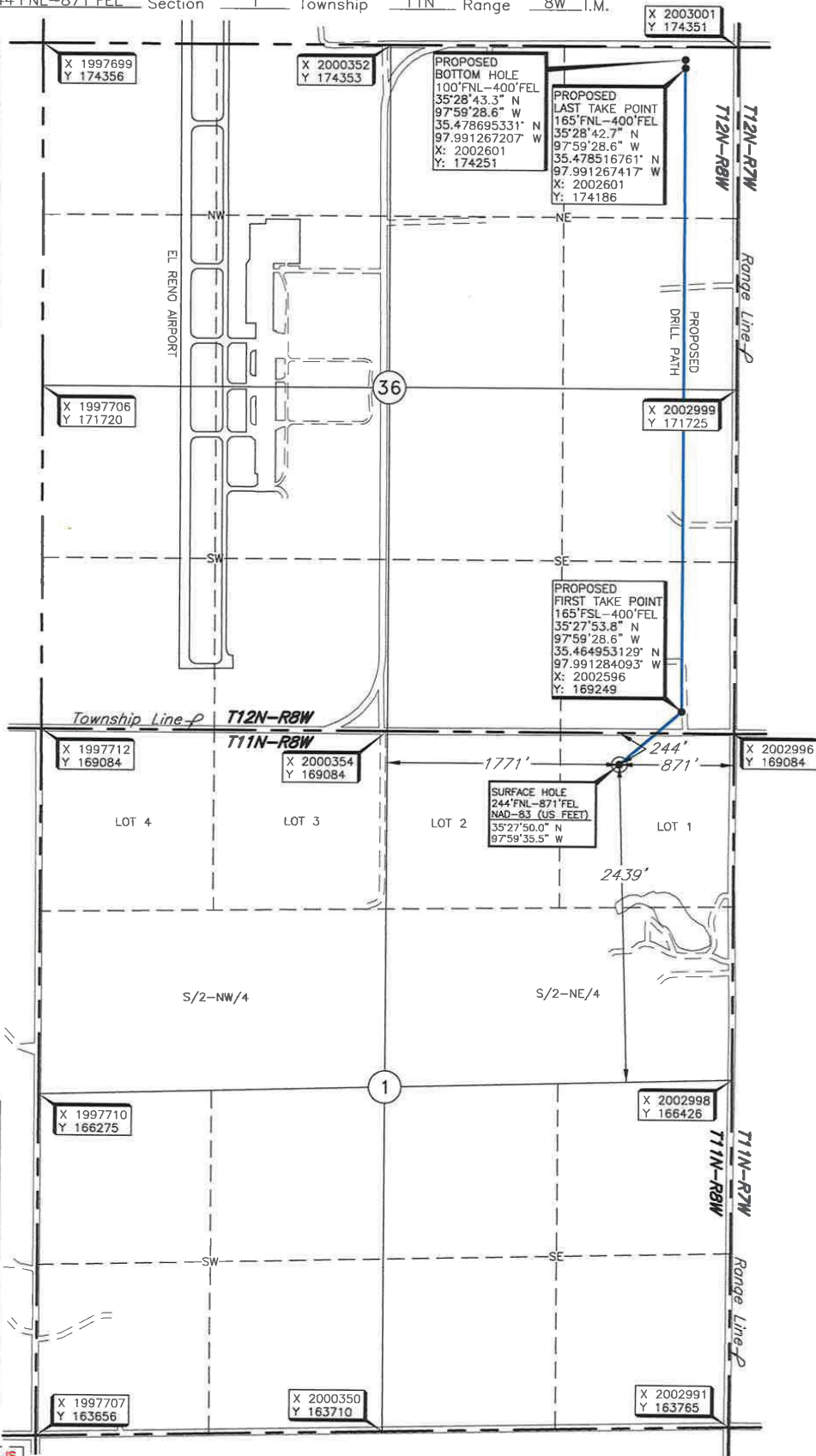
3501725100

CANADIAN

244'FNL-871'FEL Section 1 Township 11N Range 8W I.M.



FIRST TAKE POINT, LAST TAKE POINT, BOTTOM HOLE
AND DRILL PATH INFORMATION PROVIDED BY
OPERATOR LISTED, NOT SURVEYED.



Operator: 89 ENERGY
Lease Name: WATCH THIS 1208
Topography & Vegetation Loc. fell in wheat field, ± 210' S. of Right-Of-Way Fence
Well No.: 36-1H
Good Drill Site? Yes
Best Accessibility to Location From North off county road
Distance & Direction from Hwy Jct or Town From the junction of US Hwy 81 & US Hwy 270/US Hwy 40, go ± 2.5 miles South on US Hwy 81, then ± 3 miles West to the Northeast Corner of Section 1, T11N-R8W.
Reference Stakes or Alternate Location
Stakes Set None
ELEVATION:
1396' Gr. at Stake (NAVD 88)
1395' Gr. at Stake (NGVD 29)

THE INFORMATION SHOWN HEREIN IS
FOR CONSTRUCTION PURPOSES ONLY

DATUM: NAD-27
LAT: 35°27'49.8" N
LONG: 97°59'34.3" W
LAT: 35.463830708° N
LONG: 97.992867171° W
STATE PLANE
COORDINATES (US FEET):
ZONE: OK NORTH
X: 2002125
Y: 168840

Invoice # 269910 Date of Drawing: April 17, 2017
Date Staked: Mar. 29, 2017 NMB

CERTIFICATE:

I, Thomas L. Howell, an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.

Thomas L. Howell
Oklahoma Lic. No. 1433

