API NUMBER: 017 25101

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

PERMIT TO DRILL

County: CANADIAN WELL LOCATION: Sec: 31 Twp: 11N Rge: 8W

FEET FROM QUARTER: SPOT LOCATION: NW SOUTH WEST NE llnw

SECTION LINES: 250 1220

Lease Name: SHELLY Well No: 5H-3106X Well will be 250 feet from nearest unit or lease boundary.

CIMAREX ENERGY CO Operator OTC/OCC Number: Telephone: 9185851100 21194 0 Name:

CIMAREX ENERGY CO

202 S CHEYENNE AVE STE 1000

TULSA. OK 74103-3001 AAA LAND INVESTMENTS LLC 15141 COUNTY STREET 2720

MINCO OK 73059

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

Name Depth Name Depth MISSISSIPPI LIME 1 12006 6 2 MISSISSIPPIAN 12268 7 3 WOODFORD 12583 8 9 10 663653 Spacing Orders: Location Exception Orders: Increased Density Orders: 560154

Pending CD Numbers: 201706447 Special Orders:

138217

Total Depth: 22900 Ground Elevation: 1432 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 360

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?

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: MARLOW D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 17-33198

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

HORIZONTAL HOLE 1

GRADY Sec 06 Twp 10N Rge 8W County Spot Location of End Point: SW SW SE SW SOUTH 1/4 Section Line: 150 Feet From: Feet From: WEST 1/4 Section Line: 1621

Depth of Deviation: 12123
Radius of Turn: 724
Direction: 178

Total Length: 9639

Measured Total Depth: 22900

True Vertical Depth: 12644

End Point Location from Lease,
Unit. or Property Line: 150

Notes:

Category Description

DEEP SURFACE CASING 11/1/2017 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS

OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR

SURFACE CASING

HYDRAULIC FRACTURING 11/1/2017 - 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

PENDING CD - 201706434 11/2/2017 - G60 - (E.O.) 31-11N-8W & 6-10N-8W

EST MULTIUNIT HORIZONTAL WELL X663653 (31-11N-8W) MSSP, WDFD X138217 (6-10N-8W) MSSLM X560154 (6-10N-8W) WDFD

(MSSP AND MSSLM ARE ASSOCIATED COMMON SOURCES OF SUPPLY TO WDFD)

50% 31-11N-8W 50% 6-10N-8W

CIMAREX ENERGY, CO. REC. 10/31/17 (JOHNSON)

PENDING CD - 201706435 11/2/2017 - G60 - (E.O.) 31-11N-8W & 6-10N-8W

X663653 (31-11N-8W) MSSP, WDFD X138217 (6-10N-8W) MSSLM X560154 (6-10N-8W) WDFD

COMPL. INT. (31-11N-8W) NCT 150' FNL, NCT 0' FSL, NCT 1200' FWL COMPL. INT. (6-10N-8W) NCT 0' FNL, NCT 150' FSL, NCT 1200' FWL

CIMAREX ENÈRGY, CO. REC. 10/31/17 (JOHNSON)

PENDING CD - 201706446 11/2/2017 - G60 - 6-10N-8W

X560154 WDFD 8 WELLS NO OP. NAMED

REC. 10/31/17 (JOHNSON)

PENDING CD - 201706447 11/2/2017 - G60 - 31-11N-8W

X663653 WDFD 8 WELLS NO OP. NAMED

REC. 10/31/17 (JOHNSON)

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.

017 25101 SHELLY 5H-3106X

Category Description

PENDING CD - 201706449 11/2/2017 - G60 - (E.O.) 31-11N-8W & 6-10N-8W

X165:10-3-28(C)(2)(B) WDFD

MAY BE CLOSER THAN 600' TO ANY OF THE SHELLY 1H-3106X, SHELLY 2H-3106X, SHELLY 3H-3106X, SHELLY 5H-3106X, SHELLY 5H-3106X, SHELLY 6H-3106X, SHELLY 6H-3106X, SHELLY 8H

-3106X, SHELLY 9H-3106X WELLS

NO OP. NAMED

REC. 10/2/17 (JOHNSON)

SPACING - 138217 11/2/2017 - G60 - (640) 6-10N-8W

EXT OTHERS

EXT 98732 MSSLM, OTHERS

SPACING - 560154 11/2/2017 - G60 - (640) 6-10N-8W

EXT 144223 WDFD, OTHER

EXT OTHER EST OTHER

SPACING - 663653 11/2/2017 - G60 - (640)(HOR) 31-11N-8W

VAC 138217 MSSLM, CSTR VAC 144223 WDFD

EST MSSP, WDFD

POE TO BHL (MSSP) NCT 660' FB

POE TO BHL (WDFD) NCT 165' FNL/FSL, NCT 330' FEL/FWL

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA
6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219

CANADIAN/GRADY

County, Oklahoma County, Oklahoma
___11N___ Range 3501725101 250'FNL-1220'FWL 31 W8 Section Township Range X= 1971466 Y= 142757 The X= 1976593 Y= 142777 X= 1973955 Y= 142768 construction purposes information LANDING POINT 150'FNL-1621'FWL NAD-27 (US Feet) 35'23'30.3"N 98'05'25.0"W 35.391747755'N 98.090286843'W X= 1973087 Y= 142614 1220 1270 2nd LOT 1 OGRADA O-N-O Guide shown Meridian herein 2.38.3 S LOT 2 GRID NAD-27 OK NORTH US Feet for X= 1971469 Y= 140126 500' 1000' 31 X= 1976595 Y= 140140 PROPOSED DRILL Best from Distance Good _ease Operator: Topography Hwy Accessibility Drill Line LOT 3 જ & Direction ROW Site? PATH CIMAREX ENERGY ጵ E/2-SW/4 ±0.5 Vegetation SHELLY Town to mile Location From LOT 4 then Yes 00 Loc. the Township Line **T11N — R8W** County Line CANADIAN CO. 8 X= 1976598 Y= 137502 T11N fe Caddo/ ±1.0 Ξ, T10N - R8W GRADY CO. 1971472 137494 terraced X= 1973973 Y= 137498 11 /Canadian mile, Reference off LOT 4 LOT 3 LOT 2 LOT CADDO then plowed IISet County 11 North Stakes 200 ground road. RADY Line # County 9 ₩ell 18 LOT 5 mile and Alternate SE/4-NW/4 No. S/2-NE/4 ਰਿ ş 5H-3106) the Hwy 1971488 134861 X= 1976616 Y= 134849 Location N N 6 37 Cor. Range 90 1432' 今 **ELEVATION** z LOT 6 Line Sec. E/2-SW/4 #0 Gr. at Stake Ġ TION 3 0 2475 BOTTOM HOLE 150'FSL-1621'FWL NAD-27 (US Feet) 35'21'49.1"N 98'05'24.5"W 35.363637310'N 98.090129439'W X= 1973125 Y= 132382 BOTTOM HOLE then 1 NGVD29 East 0 LOT 7 H 1621 1973975 132234 mile, 1971505 132228 1976634 132241 150 850' LANDING POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED. Date of Drawing: Sept. 28, ESSIONAL was receiver accuracy. Invoice # 282192A Date Staked: Sept. 12, TR NAD-27DATUM: LAT: 35°23'29.3"N LONG: 98°05'29.9"W **CERTIFICATE:** a information we with a GPS refoot Horiz./Verl. a LAT: 35.391467229°N THOMAS L I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the Howell HOWELL LONG: 98.091631310°W STATE PLANE 1433 COORDINATES: (US Feet) information shown herein This gathered with ±1 fo OK NORTH ZONE: X: 1972687 Time 2. Na LAHOMA 142513 1433

Oklahoma Lic. No. _