

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

API NUMBER: 133 25263

Approval Date: 11/09/2017

Expiration Date: 05/09/2018

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 7N Rge: 6E

County: SEMINOLE

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 2310 660

Lease Name: KATHERINE

Well No: 1-2

Well will be 330 feet from nearest unit or lease boundary.

Operator Name: CIRCLE 9 RESOURCES LLC

Telephone: 4055296577; 4055296

OTC/OCC Number: 23209 0

CIRCLE 9 RESOURCES LLC  
PO BOX 249  
OKLAHOMA CITY, OK 73101-0249

TRAVIS LANE  
PO BOX 27762  
PANAMA CITY OK 32408

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

	Name	Depth		Name	Depth
1	CALVIN	1850	6	VIOLA	3920
2	EARLSBORO	2570	7	SIMPSON DOLOMITE	3990
3	BOOCH	3090	8	1ST WILCOX	4015
4	GILCREASE	3110	9	MARSHALL DOLO	4085
5	CROMWELL	3125	10	2ND WILCOX	4120

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201706533  
201707041

Special Orders:

Total Depth: 4320

Ground Elevation: 833

**Surface Casing: 920**

Depth to base of Treatable Water-Bearing FM: 870

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

**PIT 1 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: VAMOOSA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-33339

H. CLOSED SYSTEM=STEEL PITS (REQUIRED - LITTLE RIVER)

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>10/31/2017 - 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: <a href="http://OCCWEB.COM/OG/OGFORMS.HTML">OCCWEB.COM/OG/OGFORMS.HTML</a>; 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: <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
PENDING CD - 201706533	<p>11/3/2017 - G60 - (120)(IRR) N2 SE4, SE4 SE4 2-7N-6E  VAC 539160 CLVN, ERLB, BOCH, GLCR, CMWL, VIOL SMPSD, WLCX1, WLCX2  EST CLVN, ERLB, BOCH, GLCR, CMWL, VIOL, SMPSD, WLCX1, MRSDO, WLCX2  REC. 10/23/17 (NORRIS)</p>
PENDING CD - 201707041	<p>11/8/2017 - G60 - (I.O.) N2 SE4, SE4 SE4 2-7N-6E  X201706533 CLVN, ERLB, BOCH, CMWL, VIOL, SMPSD, WLCX1, MRSDO, WLCX2  NCT 330' FNL, NCT 660' FEL  CIRCLE 9 RESOURCES, LLC.  REC. 10/27/17 (M. PORTER)</p>

## APPLICATION TO DRILL, RECOMPLETE OR REENTER

FORM 1000  
REV. 2014

FILE ORIGINAL ONLY

PLEASE TYPE OR USE BLACK INK

1. OTC/OCC OPERATOR NUMBER

23209

2. API NUMBER

3513325263

OKLAHOMA CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
JIM THORPE BUILDING  
P.O. BOX 52900  
OKLAHOMA CITY, OK 73152-2000  
(RULE 165-10-3-1)

BATCH NUMBER (OCC USE ONLY)

3. NOTICE OF INTENT TO

(CHECK ONLY ONE)

☒ DRILL ☐ RECOMPLETE ☐ REENTER ☐ DEEPEN ☐ AMEND - REASON

NOTE: ATTACH COPY OF 1002-A IF RECOMPLETION OR REENTRY

4. TYPE OF DRILLING OPERATION

(NOTE: If directional or horizontal, see reverse side for bottom hole location)

A. ☒ STRAIGHT HOLE ☐ DIRECTIONAL HOLE ☐ HORIZONTAL HOLEB. ☐ OIL/GAS ☐ INJECTION ☐ DISPOSAL ☐ WATER SUPPLY ☒ STRAT TEST ☐ SERVICE WELL8. LOCATE WELL AND OUTLINE  
LEASE OR SPACING UNIT IN INK

5. WELL LOCATION

SECTION 2 TOWNSHIP 7N RANGE 6E COUNTY SEMINOLE

SPOT LOCATION SE 1/4 NW 1/4 SE 1/4 FEET FROM QUARTER SECTION LINES SOUTH LINE 2310' EAST LINE 660'

7. Well will be 330' feet from nearest unit or property boundary

8. LEASE NAME KATHERINE WELL NUMBER 1-2

9. NAME OF OPERATOR CIRCLE 9 RESOURCES LLC EMAIL ADDRESS ADMIN@CIRCLE9LLC.COM

ADDRESS P.O. BOX 18734 PHONE (ACNUMBER) 405-529-6577

CITY OKLAHOMA CITY STATE OK ZIP CODE 73154

10. SURFACE OWNER (ONE ONLY. ATTACH SHEET FOR ADDITIONAL OWNERS)

TRAVIS LANE

ADDRESS P.O. BOX 27762

CITY PANAMA CITY STATE FL ZIP CODE 32408

14. LIST TARGET FORMATIONS AND DEPTHS OF EACH BELOW (LIMITED TO TEN)

- |                      |                           |
|----------------------|---------------------------|
| 1) CALVIN (1850')    | 6) VIOLA (3920')          |
| 2) EARLSBORO (2570') | 7) SIMPSON (3990')        |
| 3) BOOCH (3090')     | 8) FIRST WILCOX (4015')   |
| 4) GILCREASE (3110') | 9) MARSHALL (4085')       |
| 5) CROMWELL (3125')  | 10) SECOND WILCOX (4120') |

15. SPACING ORDER NUMBER(S) AND SIZE UNIT(S)

N/A - Strat test

16. PENDING APPLICATION C.D. NO.

17. LOCATION EXCEPTION ORDER NO.

18. INCREASED DENSITY ORDER NO.

19. TOTAL DEPTH 4320' 20. GROUND ELEV 870' 21. BASE OF TREATABLE WATER 920' 22. SURFACE CASING 920' 23. ALT CASING PROG USED? Y X N

24. ALTERNATIVE CASING PROCEDURE, check box and fill in blank (AFFIDAVIT REQUIRED, see reverse side, line 31)

A. Cement will be circulated from total depth to ground surface on the production casing string.

B. Cement will be circulated from depth to depth by use of a two stage cementing tool.

25.1. PIT INFORMATION: Using more than one pit or mud system? Y X N If yes, fill out line 25.2 on top reverse side

A. TYPE OF MUD SYSTEM ☒ WATER BASED ☐ OIL BASED ☐ GAS BASED (AIR DRILL)

B. EXPECTED MUD CHLORIDE CONTENT maximum 8000 ppm average 5000 ppm

C. TYPE OF PIT SYSTEM on-site off-site closed If off-site, specify location: X Y N

D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? X Y N

E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y X N

F. WELLHEAD PROTECTION AREA? Y X N

Off-Site Pit No.

25.1 OCC USE ONLY

A. CATEGORY 1A 1B 2 3 4 ☒

B. PIT LOCATION Alluvial Plain Terrace Deposit Bedrock Aquifer ☒ Other H.S.A. Non-H.S.A. From Vanessa

C. Special area or field rule? No D. DEEP SCA? Y N E. CBL required? Y N

F. SOIL COMPACTED LINER REQUIRED? Y N G. 20 mil GEOMEMBRANE LINER REQUIRED? Y N

27. PROPOSED METHOD FOR DISPOSAL OF DRILLING FLUIDS (MUST BE COMPLETED)

☒ A. Evaporation/dewater and backfilling of reserve pit☐ B. Public Landfill Location☐ C. Annular Injection (REQUIRES PERMIT and surface casing set 200 feet below base of treatable water-bearing formation)☒ D. One time land application (REQUIRES PERMIT) PERMIT NO 17-33339☐ E. Haul to Commercial pit facility. Specify site☐ F. Haul to Commercial soil farming facility. Specify site☐ G. Haul to recycling/re-use facility. Specify site☒ H. Other. Specify closed system steel pits - Little River

I hereby certify I am authorized to submit this two page application prepared by me or under my supervision.

The facts and proposals made herein are true, correct and complete to the best of my knowledge and belief.

SIGNATURE NAME (Print or Type) PHONE (ACNO) FAX (ACNO) DATE

NOTICE: Approval is void if operations have not commenced within six months of the date of approval. An approved permit must be posted at the location during drilling and completion operations. File the Form 1001A, Spud Report, within fourteen days of commencement of operations.