API NUMBER: 011 23 Horizontal Hole Oil	911 & Gas	OIL & GAS CONSE P.O. BO OKLAHOMA CIT	RATION COMMISSION RVATION DIVISION 0X 52000 Y, OK 73152-2000 5:10-3-1)	Approval Date: Expiration Date:	12/28/2017 06/28/2018
		PERMIT	TO DRILL		
	32 Twp: 15N Rge: 13W	County: BLAINE			
SPOT LOCATION: NW		ROM QUARTER: FROM SOUTH	FROM EAST		
	Sectio	350	380		
Lease Name: NICOLAI 1	513	Well No: 1H-29X	Wel	I will be 350 feet from neare	st unit or lease boundary.
Operator NEWFII Name:	ELD EXPLORATION MID-CON INC	Telepho	ne: 2816742521; 9188781	OTC/OCC Number:	20944 0
NEWFIELD EXPL 4 WATERWAY SO SPRING,		0-2764	OTTO NICOLA RT. 1 BOX 64 GEARY	II III & LUCINDA NICOLAI OK 7	3040
Formation(s) (Perm Name 1 MISSISSIP 2 WOODFOF 3 4 5		ns Only): Depth 12508 13422	Name 6 7 8 9 10	Dept	h
Spacing Orders: No Spaci	ng	Location Exception Orders:		Increased Density Orders:	
-	1706117 1706118			Special Orders:	
Total Depth: 23291	Ground Elevation: 1500	Surface Casing:	1500	Depth to base of Treatable Wate	r-Bearing FM: 80
Under Federal Jurisdiction	: No	Fresh Water Supply Well	Drilled: No	Surface Water u	used to Drill: Yes
PIT 1 INFORMATION			Approved Method for dispose	al of Drilling Fluids:	
Type of Pit System: ON SI	TE				
Type of Mud System: AIR			E Houlto Commonial "	arming facility, Sac. 07 Ture 47N D	a OW Copy 72 Order No.
Is depth to top of ground wat	er greater than 10ft below base of pi	t? Y	F. Haul to Commercial soil f 659856	arming facility: Sec. 27 Twn. 17N Rr	ig. 9W Unty. 73 Order No:
Within 1 mile of municipal water well? N			H. SEE MEMO		
Wellhead Protection Area? N			G. Haul to recycling/re-use facility: Sec. 22 Twn. 16N Rng. 9W Cnty. 73 Order No: 647741		
	drologically Sensitive Area.				
Category of Pit: 4					
Liner not required for Cate					
Pit Location is ALLUVIAL Pit Location Formation:	ALLUVIUM				
	ALLUVIUM er-Based or Oil-Based Mud Requires	an Amended Intent (Form 1000)			
maa eystern ondrige to Wat	a based of an based mud requires				

 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

 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
 C

Pit Location is ALLUVIAL
Pit Location Formation: ALLUVIUM

PIT 3 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 ALLUVIAL Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 29 Twp 15N Rge 13W County BLAINE Spot Location of End Point: NW NF NE NE Feet From: NORTH 1/4 Section Line: 50 Feet From: EAST 1/4 Section Line: 380 Depth of Deviation: 12001 Radius of Turn: 584 Direction: 360 Total Length: 10373 Measured Total Depth: 23291 True Vertical Depth: 13422 End Point Location from Lease, Unit, or Property Line: 50

Notes: Category DEEP SURFACE CASING

Description

12/13/2017 - 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

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	12/13/2017 - 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
INTERMEDIATE CASING	12/13/2017 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER- PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES
MEMO	12/13/2017 - G71 - PIT 2 & 3 - CLOSED SYSTEM = STEEL PITS PER OPERATOR REQUEST, WBM & OBM CUTTINGS CAPTURED IN STEEL HALF PITS; PIT 2 - TRANSFERRED TO BACKYARD ENERGY SERVICES 659856 (27-17N-9W, KINGFISHER CO); PIT 3 - TRANSFERRED TO BACKYARD ENERGY SERVICES 647741 (22-16N-9W), KINGFISHER CO); OBM TO VENDOR
PENDING CD - 201706117	12/28/2017 - G58 - (1280)(HOR) 29 & 32-15N-13W VAC 661326 MSSP, WDFD EST MSSP, WDFD POE TO BHL (MSSP) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FWL & FEL REC 12/19/2017 (DUNN)
PENDING CD - 201706118	12/28/2017 - G58 - (I.O.) 29 & 32-15N-13W X201706117 MSSP, WDFD COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FEL NO OP. NAMED REC 12/19/2017 (DUNN)