

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

API NUMBER: 017 25150

Approval Date: 12/21/2017

Expiration Date: 06/21/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 06 Twp: 14N Rge: 5W

County: CANADIAN

SPOT LOCATION: ☐ NW ☐ NW ☐ NW ☐ NE

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 205 2482

Lease Name: BRADSHAW

Well No: 6-6MH

Well will be 205 feet from nearest unit or lease boundary.

Operator Name: RED BLUFF RESOURCES OPERATING LLC

Telephone: 4056058360

OTC/OCC Number: 23828 0

RED BLUFF RESOURCES OPERATING LLC
3030 NW EXPRESSWAY STE 650
OKLAHOMA CITY, OK 73112-5447

BRADSHAW CATTLE CO., LLC
6125 ARROWHEAD RD NE
PIEDMONT OK 73078

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

| | Name | Depth | Name | Depth |
|---|----------------------------|-------|------|-------|
| 1 | MISSISSIPPIAN (EX CHESTER) | 7273 | 6 | |
| 2 | WOODFORD | 7563 | 7 | |
| 3 | HUNTON | 7638 | 8 | |
| 4 | | | 9 | |
| 5 | | | 10 | |

Spacing Orders: 626166

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201708242
201708243

Special Orders:

Total Depth: 12525

Ground Elevation: 1171

Surface Casing: 700

Depth to base of Treatable Water-Bearing FM: 540

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

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: BISON

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

PERMIT NO: 17-33523

H. SEE MEMO

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 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: BISON

HORIZONTAL HOLE 1

Sec 06 Twp 14N Rge 5W County CANADIAN

Spot Location of End Point: S2 SE SW SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 1650

Depth of Deviation: 6527

Radius of Turn: 583

Direction: 175

Total Length: 5083

Measured Total Depth: 12525

True Vertical Depth: 7638

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

Notes:

Category

Description

HYDRAULIC FRACTURING

12/19/2017 - 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

MEMO

12/21/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201708242

12/21/2017 - G57 - (E.O.)(640)(HOR) 6-14N-5W
VAC 626166 MSSP
EST CSTR, MSNLC
POE TO BHL (CSTR, MSNLC) NCT 660' FB
REC 12-18-2017 (P. PORTER)

PENDING CD - 201708243

12/21/2017 - G57 - (E.O.) 6-14N-5W
X626166 WDFD, HNTN
X201708242 MSNLC
COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 330' FEL, NCT 330' FWL
NO OP. NAMED
REC 12-18-2017 (P. PORTER)

This permit does not address the right of entry or settlement of surface damages.

017 25150 BRADSHAW 6-6MH

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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 |
|------------------|--|
| SPACING - 626166 | 12/21/2017 - G57 - (640)(HOR) 6-14N-5W VAC 66535 HNTN VAC 71795 MISS EXT 623457 MSSP (VAC BY 201708242 MSSP), WDFD, HNTN POE TO BHL (MSSP, HNTN) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL (SUPERSEDE NON-PRODUCING NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS) |