

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

API NUMBER: 017 25219

Approval Date: 05/01/2018  
Expiration Date: 11/01/2018

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 12N Rge: 8W

County: CANADIAN

SPOT LOCATION:  SE  SE  SW  SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 285 1110

Lease Name: THIS GUY 5-12N-8W

Well No: 2MH

Well will be 285 feet from nearest unit or lease boundary.

Operator Name: PALOMA OPERATING CO INC

Telephone: 7136508509

OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC  
1100 LOUISIANA ST STE 5100  
HOUSTON, TX 77002-5220

JOHN L PORTER REVOCABLE TRUST  
8 SPRING CREEK DR  
DENISON TX 75020

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

| Name          | Depth | Name | Depth |
|---------------|-------|------|-------|
| 1 MISSISSIPPI | 10801 | 6    |       |
| 2             |       | 7    |       |
| 3             |       | 8    |       |
| 4             |       | 9    |       |
| 5             |       | 10   |       |

Spacing Orders: 208347

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201802169  
201803098

Special Orders:

Total Depth: 15975

Ground Elevation: 1395

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 320

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: 18-33875

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: DOG CREEK

HORIZONTAL HOLE 1

Sec 05 Twp 12N Rge 8W County CANADIAN

Spot Location of End Point: NE NE NW NW

Feet From: NORTH 1/4 Section Line: 65

Feet From: WEST 1/4 Section Line: 1140

Depth of Deviation: 10488

Radius of Turn: 526

Direction: 355

Total Length: 4660

Measured Total Depth: 15975

True Vertical Depth: 10966

End Point Location from Lease,  
Unit, or Property Line: 65

Notes:

Category

Description

DEEP SURFACE CASING

4/20/2018 - 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

4/20/2018 - 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](http://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](http://FRACFOCUS.ORG)

MEMO

4/20/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201802169

4/27/2018 - G56 - (I.O.) 5-12N-8W  
X208347 MISS  
COMPL INT NCT 165' FSL, NCT 165' FNL, NCT 330' FWL  
NO OP NAMED  
REC 4/9/18 (NORRIS)

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  |
|------------------------|--|
| PENDING CD - 201803098 | 4/27/2018 - G60 - 5-12N-8W<br>X208347 MISS<br>1 WELL<br>NO OP. NAMED<br>HEARING 5/7/18 |
| SPACING - 208347       | 4/27/2018 - G56 - (640) 5-12N-8W<br>EST. MISS  |

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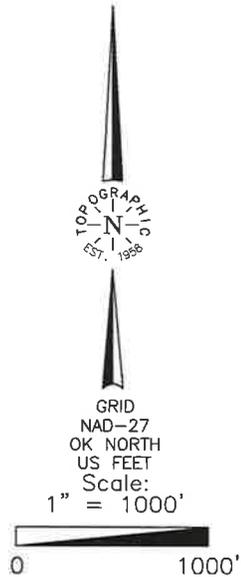
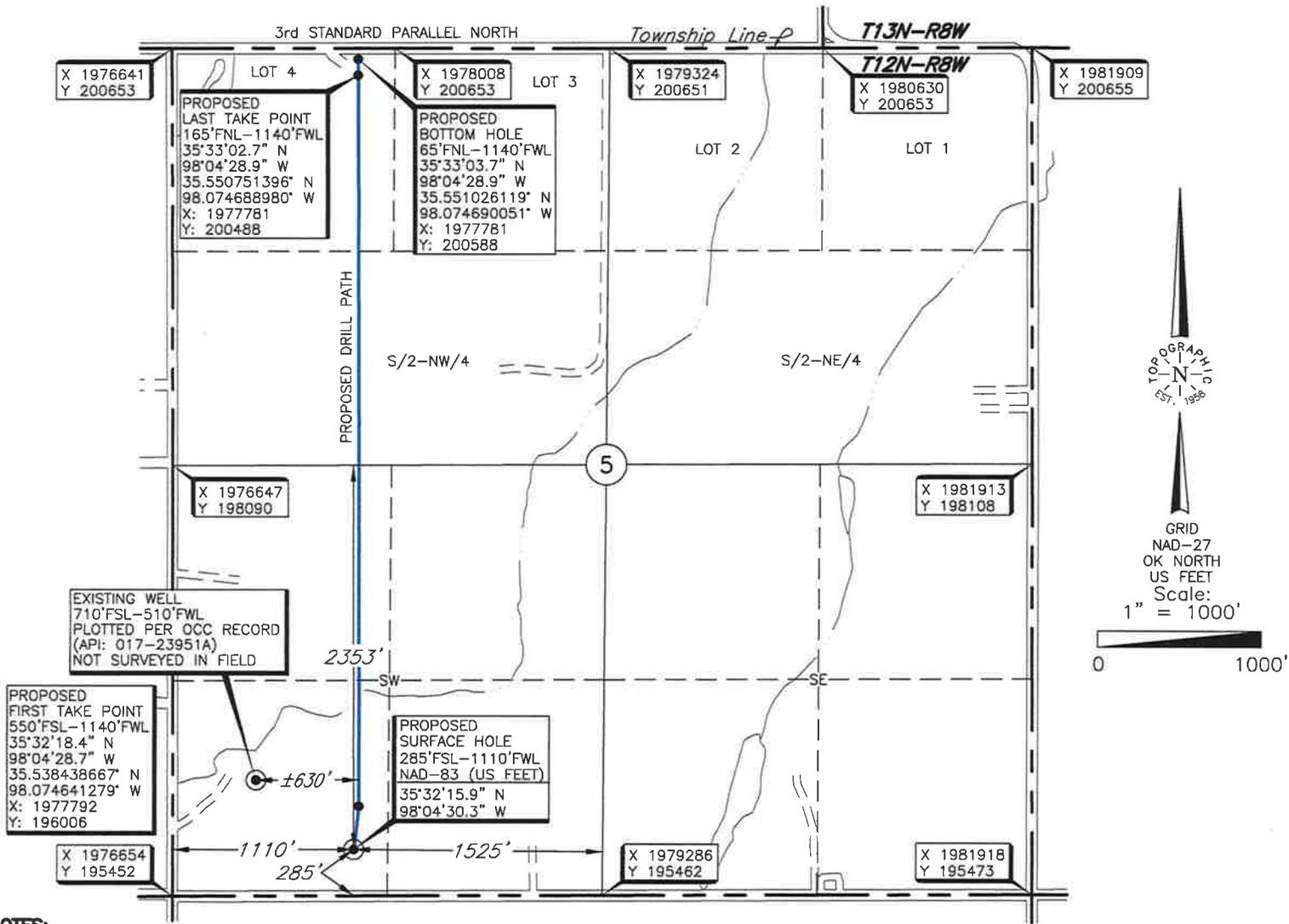
TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

13800 WIRELESS WAY, OKLA. CITY, OKLA. 73134 \* LOCAL (405) 843-4847 \* OUT OF STATE (800) 654-3219  
Certificate of Authorization No. 1293 LS

CANADIAN

County, Oklahoma

285'FSL-1110'FWL Section 5 Township 12N Range 8W I.M.



NOTES:

- THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY.
- FIRST TAKE POINT, LAST TAKE POINT, BOTTOM HOLE AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED.
- DISTANCE SHOWN FROM EXISTING WELL TO DRILL PATH IS CALCULATED AND NOT SURVEYED IN THE FIELD.

| ELEVATION: |                        |
|------------|------------------------|
| 1396'      | Gr. at Stake (NAVD 88) |
| 1395'      | Gr. at Stake (NGVD 29) |

Operator: PALOMA OPERATING COMPANY, INC.

Lease Name: THIS GUY 5-12N-8W

Well No.: 2MH

Topography & Vegetation Loc. fell in sloped wheat field

Good Drill Site? Yes Reference Stakes or Alternate Location Stakes Set None

Best Accessibility to Location From South off county road

Distance & Direction from Hwy Jct or Town From the junction of US Hwy 270N & I-40 E-W, South of Calumet, Oklahoma, go ± 0.5 mile North on US Hwy 270, then ± 2 miles East to the Southwest Corner of Section 5, T12N-R8W.

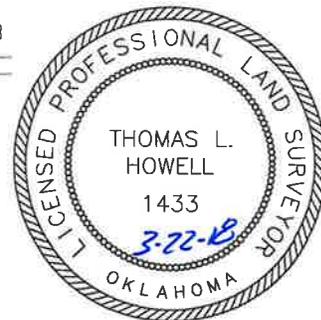
DATUM: NAD-27  
 LAT: 35°32'15.8" N  
 LONG: 98°04'29.1" W  
 LAT: 35.537710259° N  
 LONG: 98.074739526° W  
 STATE PLANE COORDINATES (US FEET):  
 ZONE: OK NORTH  
 X: 1977763  
 Y: 195741

Revision  A Date of Drawing: Mar. 22, 2018  
 Invoice # 290917A Date Staked: Jan. 24, 2018 NB

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 Reg. No. 1433



This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy

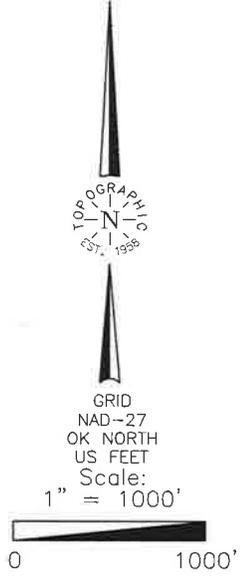
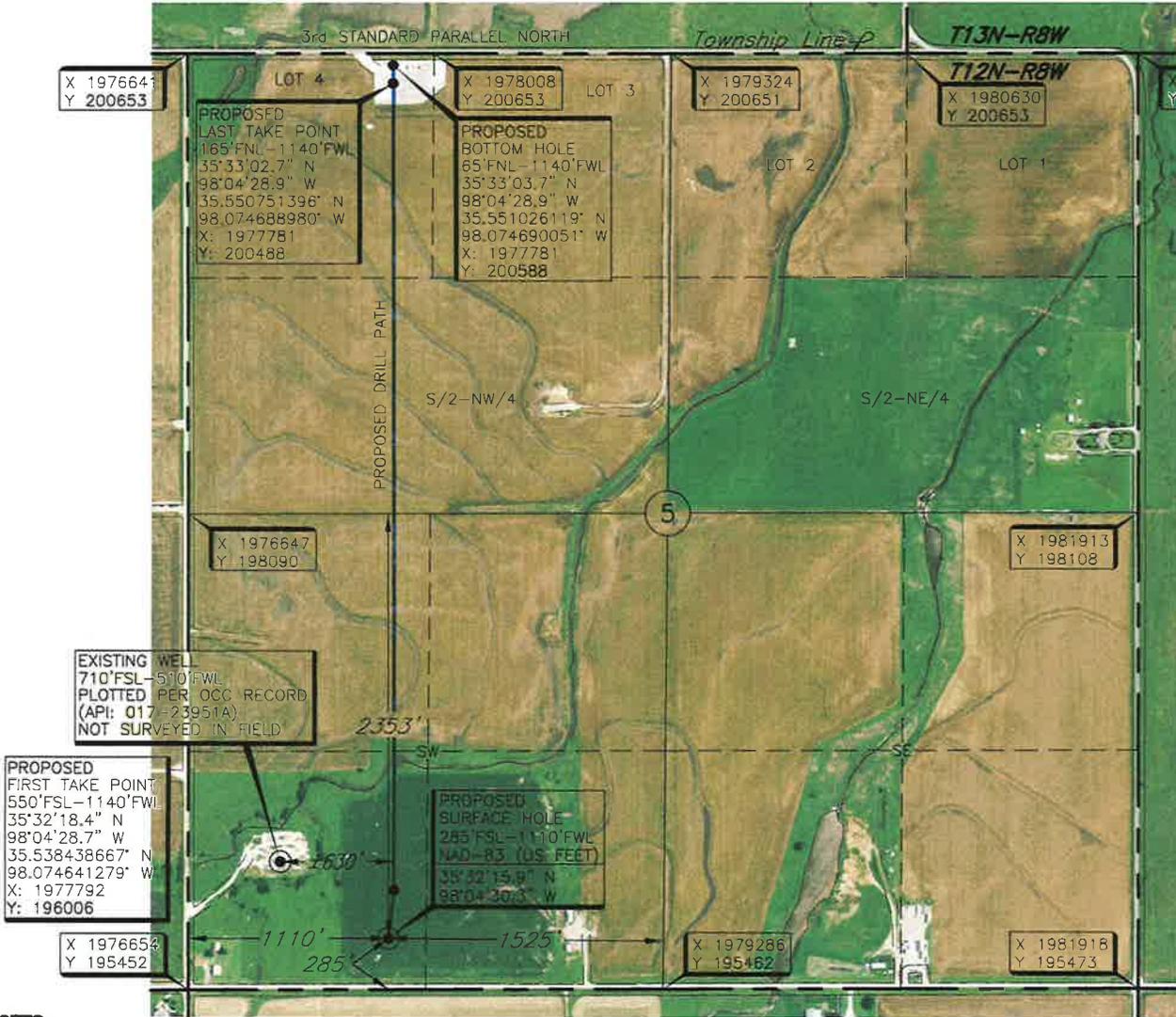
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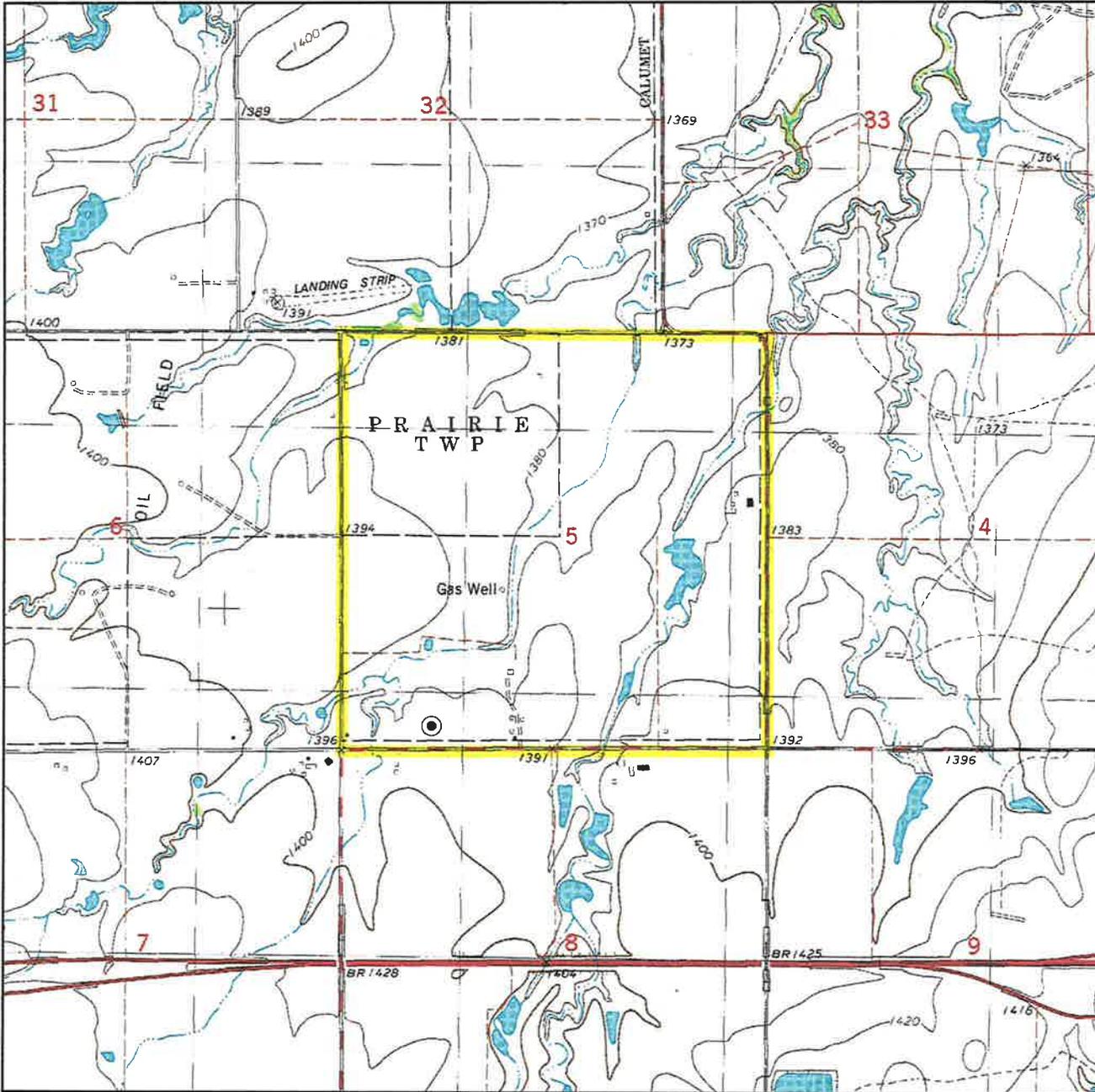
# TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

Surveying and Mapping for the Energy Industry

13800 Wireless Way Oklahoma City, OK 73134 [www.topographic.com](http://www.topographic.com)

Telephone Numbers: Local (405) 843-4847 Toll Free (800) 654-3219

## LOCATION & ELEVATION VERIFICATION MAP



Sec. 5 Twp. 12N Rng. 8W I.M.

County CANADIAN State OK

Operator PALOMA OPERATING COMPANY, INC.

Description 285'FSL-1110'FWL

Lease THIS GUY 5-12N-8W 2MH

Elevation 1396' Gr. at Stake (NAVD 88)  
1395' Gr. at Stake (NGVD 29)

Above Background Data from  
U.S.G.S. Topographic Map  
Scale: 1"=2000'

Contour Interval 10'

When elevation is shown hereon it is the ground elevation of the location stake.  
Review this plat and inform us immediately of any possible discrepancy.



LAND SURVEYORS OF OKLAHOMA

Jan. 24, 2018