API NUMBER: 049 25165

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: 11/27/2017
Expiration Date: 05/27/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 4N Rge: 4W County: GARVIN

SPOT LOCATION: NE NW NW FEET FROM QUARTER: FROM NORTH FROM WEST SECTION LINES: 235 350

Lease Name: MORGAN Well No: 1-19WH Well will be 235 feet from nearest unit or lease boundary.

Operator RIMROCK RESOURCE OPERATING LLC Telephone: 9183014700 OTC/OCC Number: 23802 0 Name:

RIMROCK RESOURCE OPERATING LLC

20 E 5TH ST STE 1300

TULSA, OK 74103-4462

BOBBY RAY & ALICE FAY HINES 15694 N. COUNTY ROAD 3040

LINDSAY OK 73052

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

Name Depth Name Depth WOODFORD 1 13350 6 2 7 3 8 4 9 10 661597 Spacing Orders: Location Exception Orders: Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 18600 Ground Elevation: 1112 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 390

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

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: DUNCAN

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-33480

H. SEE MEMO

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C
Pit Location is BED AQUIFER
Pit Location Formation: DUNCAN

HORIZONTAL HOLE 1

Rge 4W Sec. 19 Twp 4N County **GARVIN** NW Spot Location of End Point: ΝE NW NW Feet From: NORTH 1/4 Section Line: 165 WEST Feet From: 1/4 Section Line: 400

Depth of Deviation: 12800 Radius of Turn: 533

Direction: 3

Total Length: 4963

Measured Total Depth: 18600

True Vertical Depth: 13350

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

Notes:

Category Description

COMPLETION INTERVAL 11/27/2017 - G57 - COMPLETION INTERVAL FOR WOODFORD WILL BE BE GREATER THAN 165'

FNL & FSL, GREATER THAN 330' FEL & FWL PER OPERATOR

DEEP SURFACE CASING 11/20/2017 - 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

HYDRAULIC FRACTURING 11/20/2017 - 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 11/20/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2

- OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 661597 11/21/2017 - G57 - (640)(HOR) 19-4N-4W

EST WDFD. OTHERS

COMPL. INT. NLT 165' FNL & FSL, NLT 330' FEL & FWL

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.

049 25165 MORGAN 1-19WH