

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

API NUMBER: 017 25129

Approval Date: 11/27/2017

Expiration Date: 05/27/2018

Straight Hole

Stratigraphic Test

PERMIT TO DRILL

WELL LOCATION: Sec: 08 Twp: 12N Rge: 6W

County: CANADIAN

SPOT LOCATION: NW NE NE NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 288 351

Lease Name: BONZAI 1206

Well No: 8-1MHR

Well will be 288 feet from nearest unit or lease boundary.

Operator Name: 89 ENERGY LLC

Telephone: 4056006040

OTC/OCC Number: 23897 0

89 ENERGY LLC
105 N HUDSON AVE STE 650
OKLAHOMA CITY, OK 73102-4832

RANAS FARMS LLC
5012 TURTLE LAKE COURT
OKLAHOMA CITY OK 73165

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

| Name | Depth | Name | Depth |
|-----------------|-------|------|-------|
| 1 MISSISSIPPIAN | 8670 | 6 | |
| 2 | | 7 | |
| 3 | | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 9000

Ground Elevation: 1282

Surface Casing: 600

Depth to base of Treatable Water-Bearing FM: 490

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? Y

Wellhead Protection Area? Y

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

D. One time land application -- (REQUIRES PERMIT)
H. SEE MEMO

PERMIT NO: 17-33185

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? Y

Wellhead Protection Area? Y

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

Notes:

Category

Description

MEMO

11/27/2017 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - NORTH CANADIAN RIVER); PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PUBLIC WATER SUPPLY WELL

11/27/2017 - G71 - CANADIAN CO. RWD #4, 1 PWS/WPA, SE4 5-12N-6W

SPACING

11/27/2017 - G75 - NA- STRATIGRAPHIC TEST

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

017 25129 BONZAI 1206 8-1MHR

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