API NUMBER: 051 24261 A		S CONSER P.O. BOX IOMA CITY,	VATIO 52000 OK 73	N DIVISIOI) 3152-2000		Approval Date: Expiration Date:	01/24/2018 07/24/2018
Directional Hole Oil & Gas		(Rule 165:	10-3-1)			
Amend reason: OCC CORRECTION	AM	IEND PERM	IT TO	DRILL			
WELL LOCATION: Sec: 24 Twp: 5N Rge: 5W SPOT LOCATION: SE SE NE NW FEET FF	County: GRA	NDY NORTH FRO	ом W	EST			
sectio	N LINES:	1310	23	60			
Lease Name: BRANCH	Well No:	2-24			Well will be	1310 feet from neares	t unit or lease boundary.
Operator RED ROCKS OIL & GAS OPERATING LLC Name:		Telephone	: 40560)03065		OTC/OCC Number:	22649 0
RED ROCKS OIL & GAS OPERATING LLC							
1141 N ROBINSON AVE STE 301				B.J. BRA	NCH		
OKLAHOMA CITY, OK 7310		3410 COUNTY STREET 2990					
	5-4515			LINDSAY	/	OK 73	052
Formation(s) (Permit Valid for Listed Formation Name 1 SYCAMORE 2 VIOLA 3 BROMIDE 4 TULIP CREEK 5 MCLISH Spacing Orders: 29404 97606	ns Only): Depth 9805 10740 11380 11740 12095 Location Exception	n Orders:	6 7 8 9 10	Name	Ir	Depth	
203918							
350214					_		
Pending CD Numbers: 201800357 201800358					S	pecial Orders:	
Total Depth: 12320 Ground Elevation: 1048	Surface	Casing: 15	00		Depth	to base of Treatable Water-	Bearing FM: 80
Under Federal Jurisdiction: No	Fresh Wate	er Supply Well Di	illed: N	10		Surface Water us	ed to Drill: Yes
PIT 1 INFORMATION			Approv	ved Method for	disposal of Drillir	ng Fluids:	
Type of Pit System: CLOSED Closed System Means Steel Pit	6					-	
Type of Mud System: WATER BASED			D. Or	ne time land ap	plication (REQ	UIRES PERMIT)	PERMIT NO: 18-33769
Chlorides Max: 5000 Average: 3000			H. SE	E MEMO			
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			DIRE	CTIONAL I	HOLE 1		
Pit is located in a Hydrologically Sensitive Area.			Sec	24 Tv	vp 5N F	Rge 5W County	GRADY
Category of Pit: C			Spot	Location of	End Point:	SE SE NE	NW
Liner not required for Category: C			Feet	From: N	NORTH 1/4	4 Section Line: 100	0
Pit Location is ALLUVIAL			Feet	From: \	WEST 1/-	4 Section Line: 2350)
Pit Location Formation: ALLUVIUM			Measured Total Depth: 12420				
					pth: 12320		
					ion from Leas		
				Unit, or Pro	operty Line:	1000	

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 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
DEEP SURFACE CASING	1/22/2018 - 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	1/22/2018 - 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; 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	1/22/2018 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - WASHITA RIVER), PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 201800357	1/23/2018 - G57 - (E.O.) N2 NW4 24-5N-5W X350214 SCMR X97606 VIOL X29404 BRMD (BRMD1, BRMD2, BMDD) X203918 TPCK, MCLS 1 WELL NO OP. NAMED REC 1-22-2018 (NORRIS)
PENDING CD - 201800358	1/23/2018 - G57 - (E.O.) N2 NW4 24-5N-5W X350214 SCMR X97606 VIOL X29404 BRMD (INCLUDES BRMD1, BRMD2, BMDD) X203918 TPCK, MCLS XOTHER SHL 280' FEL, 10' FSL N2 NW4 BHL NCT 330' FSL, NCT 260' NO OP. NAMED REC 1-22-2018 (NORRIS)
SPACING - 203918	1/23/2018 - G57 - (80) NW4 24-5N-5W LD NE/SW EXT OTHER S2 NW4 EST OTHER S2 SW4 EXT 31245 TPCK EXT OTHER EST MCLS
SPACING - 29404	1/23/2018 - G57 - (80) 24-5N-5W LD NE/SW EST BRMD (INCLUDING BRMD1, BRMD2, BMDD)

Category

SPACING - 350214

Description

1/23/2018 - G57 - (80) N2 NW4 24-5N-5W LD NE/SW VAC OTHERS EXT OTHERS EXT 347618 SCMR, OTHERS 1/23/2018 - G57 - (80) N2 NW4 24-5N-5W LD NE/SW EXT 68655 VIOL

SPACING - 97606