API NUMBER: 073 25907

Horizontal Hole Oil & Gas

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

Approval Date: 01/26/2018
Expiration Date: 07/26/2018

PERMIT TO DRILL

WELL LOCATION: Sec: 17 Twp: 15N Rge: 9W County: KINGFISHER

SPOT LOCATION: SW SE SE SW FEET FROM QUARTER: FROM **SOUTH** FROM **WEST**
SECTION LINES: **250** **1990**

Lease Name: JUDY **Well No: 1509 4H-17** **Well will be 250 feet from nearest unit or lease boundary.**

Operator Name: **NEWFIELD EXPLORATION MID-CON INC** Telephone: 2816742521; 9188781 OTC/OCC Number: 20944 0

NEWFIELD EXPLORATION MID-CON INC
4 WATERWAY SQ PL STE 100
SPRING, TX 77380-2764

HAROLD & JUDY BERNHARDT, TRUSTEES
1913 E. 860 RD.
HAROLD BERNHARDT REV TRUST
KINGFISHER OK 73750

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

	Name	Depth		Name	Depth
1	MISSISSIPPIAN	9824	6		
2	WOODFORD	10442	7		
3			8		
4			9		
5			10		

Spacing Orders: 642679 Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201707965
201707961
201707962

Special Orders:

Total Depth: 15560 Ground Elevation: 1274 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 440

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: AIR

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: 4
Liner not required for Category: 4
Pit Location is NON HSA
Pit Location Formation: FLOWERPOT
Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.
B. Solidification of pit contents.

F. Haul to Commercial soil farming facility: Sec. 27 Twn. 17N Rng. 9W Cnty. 73 Order No: 659856
G. Haul to recycling/re-use facility: Sec. 22 Twn. 16N Rng. 9W Cnty. 73 Order No: 647741
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: 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: FLOWERPOT

PIT 3 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: FLOWERPOT

HORIZONTAL HOLE 1

Sec 17 Twp 15N Rge 9W County KINGFISHER

Spot Location of End Point: NE NE NE NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 2500

Depth of Deviation: 9694

Radius of Turn: 583

Direction: 3

Total Length: 4950

Measured Total Depth: 15560

True Vertical Depth: 10442

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category	Description
DEEP SURFACE CASING	12/20/2017 - 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

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
HYDRAULIC FRACTURING	12/20/2017 - 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
INTERMEDIATE CASING	12/20/2017 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES
MEMO	12/20/2017 - G71 - PIT 2 & 3 - CLOSED SYSTEM = STEEL PITS PER OPERATOR REQUEST, WBM & OBM CUTTINGS CAPTURED IN STEEL HALF PITS; PIT 2 - TRANSFERRED TO BACKYARD ENERGY SERVICES 659856 (27-17N-9W, KINGFISHER CO); PIT 3 - TRANSFERRED TO BACKYARD ENERGY SERVICES 647741 (22-16N-9W), KINGFISHER CO); OBM TO VENDOR
PENDING CD - 201707961	12/29/2017 - G57 - (I.O.) 17-15N-9W X642679 MSSP, WDFD 9 WELLS NO OP. NAMED REC 1-19-2018 (DUNN)
PENDING CD - 201707962	12/29/2017 - G57 - (I.O.) 17-15N-9W X165:10-3-28(C)(2)(B) MSSP, WDFD, OTHER (JUDY 1509 4H-17) MAY BE CLOSER THAN 600' TO AN EXISTING WELLBORE NO OP. NAMED REC 1-19-2018 (DUNN)
PENDING CD - 201707965	12/29/2017 - G57 - (I.O.) 17-15N-9W X642679 MSSP, WDFD COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 1320' FEL NO OP. NAMED REC 1-19-2018 (DUNN)
SPACING - 642679	12/29/2017 - G57 - (640)(HOR) 17-15N-9W EST MSSP, WDFD COMPL. INT. (MSSP) NLT 660' FB COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL (COEXIST SP. ORDER # 167255 MNNG, ORDER # 176175/383882 MCSTR & ORDER # 176175 MSSSD)

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.

PERMIT PLAT

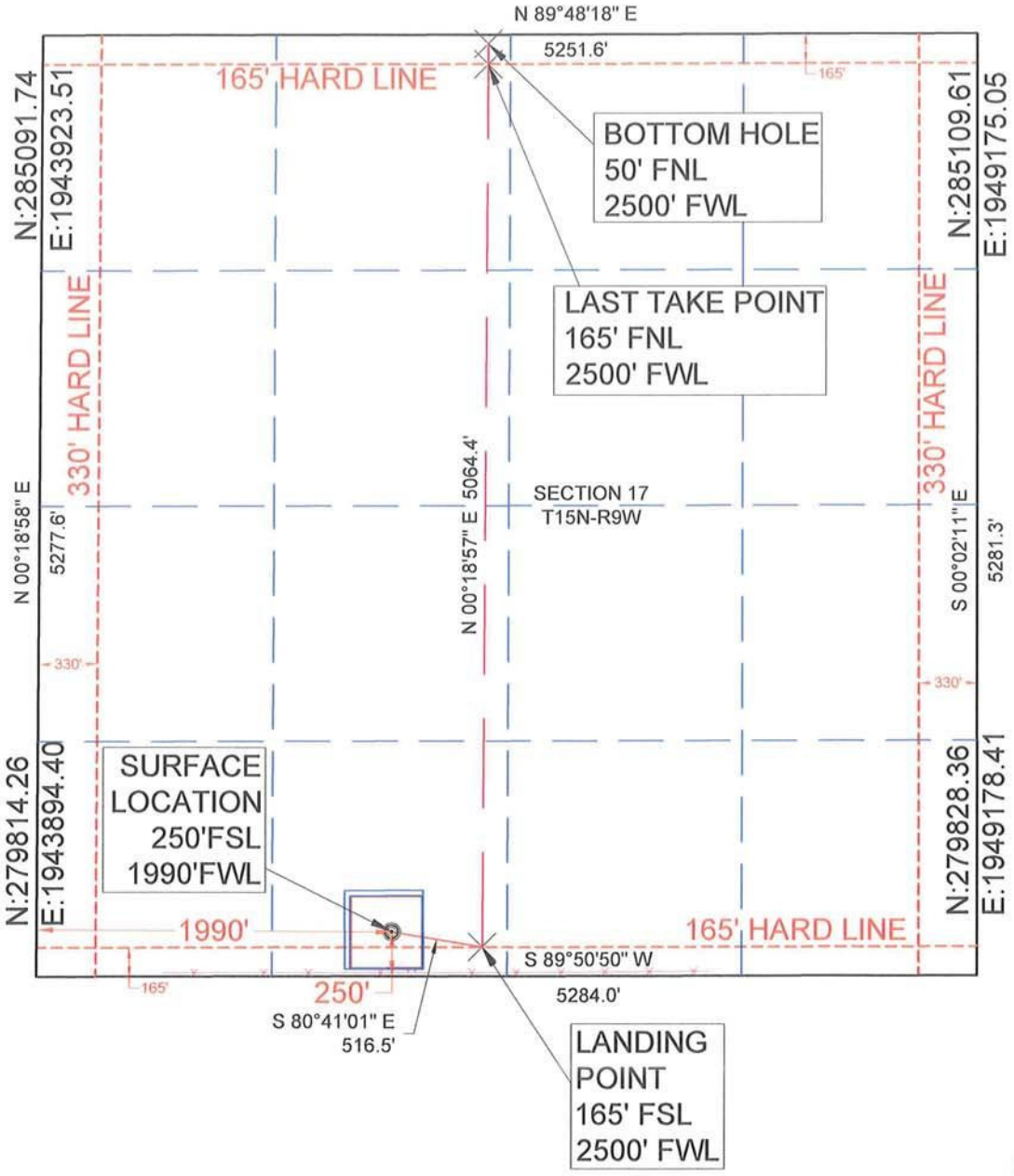
M & M Land Surveying, Inc.
Phone (580) 226-0446
520 E Street N.W.
Ardmore, OK 73401

API: 073 25907

Company Name: **NEWFIELD EXPLORATION MID-CONTINENT INC.**
Lease Name: JUDY 1509 4H-17
Section 17 Township 15 N Range 9 W , I.B.M, County of Kingfisher, State of Oklahoma

Original Location:	250'FSL - 1990'FWL	Elevation 1274' GROUND	Good Location? YES

Distance & Direction From Nearest Town: 12.0 miles Northwest of Okarche.





SCALE 1" = 1000'

0' 1000'

SURFACE LOCATION
DATUM: NAD27
LAT: 35° 46' 09.36"N
LONG: 98° 10' 56.66"W
LAT: 35.769266°N
LONG: 98.182407°W
STATE PLANE COORDINATES: (US SURVEY FEET)
ZONE: NORTH ZONE
Y (N): 280069.49
X (E): 1945885.58

DATUM: NAD83
LAT: 35° 46' 09.52"N
LONG: 98° 10' 57.88"W
LAT: 35.769310°N
LONG: 98.182745°W
STATE PLANE COORDINATES: (US SURVEY FEET)
ZONE: NORTH ZONE
Y (N): 280093.2
X (E): 1914286.38

DATA DERIVED FROM G.P.S. WITH O.P.U.S. DATA.

This location has been staked according to the best official survey records available to us. The metrical data shown hereon is for permitting the well location and the section location may or may not be field verified. Please review this plat and notify us immediately of any discrepancy.

CERTIFICATE:

I D. Harry McClintick a Registered Land Surveyor in the State Of Oklahoma, do hereby certify that the above described Well Location was surveyed and staked on the ground as shown and that said plat meets or exceeds the Oklahoma Minimum Technical Standards for the practice of land surveying as adopted by the Oklahoma State Board of Licensure for Professional Engineers and Land Surveyors.

REGISTERED PROFESSIONAL LAND SURVEYOR
D. HARRY MCCLINTICK
1367
OKLAHOMA

11/30/17

D. Harry McClintick
PLS. No.1367 CFEDS

SURVEY BY: M & M Land Surveying, Inc. ~ C.A. No. 3093 (LS)	
DRAWING BY: Bennett-Morris And Associates Land Surveying, P.C.	
© COPYRIGHT 2017	C.A. No. 5975 (LS) ~ Aaron L. Morris, RPLS
PROJECT NUMBER:	SITE VISIT: (Explanation and Date)
17474	STAKING DATE: 11/08/2017
SHEET: 6 OF 10	DRAWING DATE: 11/27/2017

NEWFIELD

Newfield Exploration Company
24 Waterway Avenue | Suite 900
The Woodlands, Texas 77380

October 19, 2017

Oklahoma Corporation Commission
Tim Baker, Director of the Oil and Gas
Conservation Division
2101 N. Lincoln Blvd
Oklahoma City, Oklahoma 73105

RE: Cause PD. No. 201700132, Backyard Energy Services, LLC Oil Based Drill Cuttings Treatment Pilot Project, State of Oklahoma

Dear Mr. Baker:

Please be advised that Newfield Exploration Mid-Con, Inc. (Newfield) understands and agrees it will be the sole operator under a Commission pilot project which will allow Backyard Energy Services, LLC to process Newfield's oil based drill cuttings using the process and requirements outlined in the amended application filed in Cause PD No. 201700132. The results of the processing will be a material that will be used in the construction of Newfield's drill sites.

Newfield further understands the initial pilot project will be for a period of ninety (90) days, or until such time as an order issues if the above referenced cause.

If there are further questions, please do not hesitate to contact Evelyn Smith at (281)674-2521.

Sincerely,

Matt Cooley
Drilling Manager

BOB ANTHONY
Commissioner

TODD HIETT
Commissioner

DANA MURPHY
Commissioner

OKLAHOMA
CORPORATION COMMISSION
P.O. BOX 52000
OKLAHOMA CITY, OKLAHOMA 73152-2000

253 Jim Thorpe Building
Telephone: (405) 521-2240
FAX: (405) 521-3099
www.occeweb.com

OIL & GAS CONSERVATION DIVISION

Tim Baker, Director

November 3, 2017

Backyard Energy Services
Conor O'Reily
1601 NW Expressway
Suite 1450
Oklahoma City, OK 73118

Re: Backyard Energy Services, Oil Based Drill Cuttings Treatment Process
Approval of Pilot Project State of Oklahoma.

Dear Mr. O'Reilly,

The Pollution Abatement Department has reviewed the documentation and analyses furnished to us by Backyard energy services, LLC (Backyard) in support of a commercial non-deleterious facility (Facility), filed in Cause P.D. No. 201700132, requesting statewide authority.

It's our understanding that Backyard has an agreement with Newfield Exploration Co. to furnish oil based drill cuttings (Drill Cuttings) for processing into a material that will be used for construction of the companies' drill sites. As a result of our review and technical meetings with Backyard representatives, you will have the ability to recycle/process the operator's drill cuttings for use for construction of the drill sites, until January 31st, 2018, or until a final Commission order issues.

Prior to using the processed material for construction, Backyard will provide the Pollution Abatement Department with the analyses of the processed material to be used, demonstrating it complies with the Target Limits set forth in the Amended Application in Cause PD No. 201700132. Backyard will also furnish the legal location and amount of processed material to be used for the construction of each drill site prior to commencement of construction. Once the construction has been completed, Backyard will prepare a post summary report. Records of the amount of incoming drill cuttings and the amount of outgoing processed material will be kept, as well as dates and the origin of the drill cuttings and the final destination. Such records will be made available to Commission staff upon request. This Facility will not be considered a commercial recycling facility for the purpose of this pilot project. If the project is to continue after January 31st, 2018, a reevaluation may be required by the Pollution Abatement Department in order to determine if additional authorization may be granted by the Commission.

If operations at the facility are terminated prior to January 31st, 2018, the Pollution Abatement department shall be notified immediately.

If there are any questions, please feel free to contact me at 405-521-2240.

Sincerely,

Tim Baker
Director, OGCD
C: Mike Moore,Terri Grooms,Brad Ice,Gayland Darity,Grant Ellis,Cheri Wheeler