

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

API NUMBER: 051 24263

Approval Date: 01/25/2018

Expiration Date: 07/25/2018

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 3N Rge: 7W

County: GRADY

SPOT LOCATION: C NW NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 660 660

Lease Name: LARRY JACKSON

Well No: 3-16

Well will be 660 feet from nearest unit or lease boundary.

Operator Name: SUNDOWN ENERGY LP

Telephone: 2143686100

OTC/OCC Number: 21689 0

SUNDOWN ENERGY LP
16400 DALLAS PKWY STE 100
DALLAS, TX 75248-2609

LARRY N AND JOAN E JACKSON
P O BOX 555
RUSH SPRINGS OK 73082

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

	Name	Depth	Name	Depth
1	FORTUNA	1850	6	
2	NOBLE-OLSON	3163	7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3500

Ground Elevation: 1288

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 950

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: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

Type of Mud System: WATER BASED

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 18-33744

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 located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

Notes:

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.

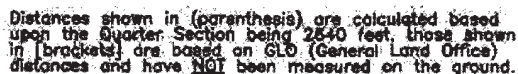
Category	Description
HYDRAULIC FRACTURING	<p>1/25/2018 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;</p> <p>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: OCCWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>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</p>
SPACING	1/25/2018 - G60 - FORMATIONS UNSPACED; 160-ACRE LEASE (NW4)

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 • LOCAL (405) 843-4847 • OUT OF STATE (800) 654-3219
Certificate of Authorization No. 1293 LS

GRADY

County, Oklahoma

660'FNL - 660'FWL Section 16 Township 3N Range 7W I.M.



THE INFORMATION SHOWN HEREIN IS
FOR CONSTRUCTION PURPOSES ONLY.

1288' Gr. at Stake

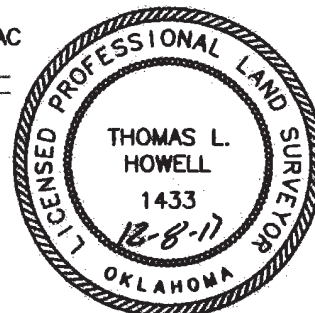
on US Hwy 81, then ± 0.5 mi. East to the NW Cor. of Sec. 16-T3N-R7W.

Y: 511171

AC

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

Oklahoma Lic. No. 1433



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