

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

API NUMBER: 063 24904

Approval Date: 01/23/2020

Expiration Date: 07/23/2021

Horizontal Hole
Multi Unit
Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 8N Rge: 12E County: HUGHES
SPOT LOCATION: ☐ SE ☐ NW ☐ SE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 799 1741

Lease Name: HAMILTON Well No: 2-14-2WH Well will be 799 feet from nearest unit or lease boundary.
Operator Name: CALYX ENERGY III LLC Telephone: 9189494224 OTC/OCC Number: 23515 0

CALYX ENERGY III LLC
6120 S YALE AVE STE 1480
TULSA, OK 74136-4226

MIDDLE CREEK, LLC
2798 N 394
DUSTIN OK 74839

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

Name	Depth	Name	Depth
1 WOODFORD	4800	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 670063 Location Exception Orders: 707522 Increased Density Orders: 707353
671757 707354
707521

Pending CD Numbers: 201905631

Special Orders:

Total Depth: 15500 Ground Elevation: 671 Surface Casing: 750 Depth to base of Treatable Water-Bearing FM: 60

Deep surface casing has been approved

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 located in a Hydrologically Sensitive Area.

Category of Pit: 4

Liner not required for Category: 4

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

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.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 20-37219

H. PIT 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is 18 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: 8000 Average: 5000

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

HORIZONTAL HOLE 1

Sec 02 Twp 8N Rge 12E County HUGHES

Spot Location of End Point: NW SW SW SE

Feet From: SOUTH 1/4 Section Line: 600

Feet From: EAST 1/4 Section Line: 2400

Depth of Deviation: 4700

Radius of Turn: 472

Direction: 8

Total Length: 10058

Measured Total Depth: 15500

True Vertical Depth: 4900

End Point Location from Lease,
Unit, or Property Line: 600

Notes:

Category

Description

DEEP SURFACE CASING

1/22/2020 - 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

1/22/2020 - 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

INCREASED DENSITY - 707353

1/23/2020 - G56 - 2-8N-12E
X670063 WDFD
3 WELLS
CALYX ENERGY III, LLC
1/9/2020

INCREASED DENSITY - 707354

1/23/2020 - G56 - 14-8N-12E
X671757 WDFD
3 WELLS
CALYX ENERGY III, LLC
1/9/2020

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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.

063 24904 HAMILTON 2-14-2WH

LOCATION EXCEPTION - 707522	1/23/2020 - G56 - (I.O.) 2, 11 & 14-8N-12E X670063 WDFD, OTHERS 2-8N-12E X671757 WDFD, OTHERS 11 & 14-8N-12E COMPL INT (14-8N-12E) NCT 0' FNL, NCT 165' FSL, NCT 1500' FEL COMPL INT (11-8N-12E) NCT 0' FSL, NCT 0' FNL, NCT 1500' FEL COMPL INT (2-8N-12E) NCT 0' FSL, NCT 800' FSL, NCT 1500' FEL CALYX ENERGY III, LLC 1/14/2020
PENDING CD - 201905631	1/23/2020 - G56 - 11-8N-12E X671757 WDFD 3 WELLS NO OP NAMED REC 12/16/2019 (JOHNSON)
SPACING - 670063	1/22/2020 - G56 - (640)(HOR) 2-8N-12E VAC OTHERS EST WDFD, OTHERS COMPL INT NCT 165' FNL & FSL, NCT 330' FEL & FWL
SPACING - 671757	1/22/2020 - G56 - (640)(HOR) 11 & 14-8N-12E EST WDFD, OTHERS COMPL INT NLT 165' FNL/FSL, NLT 330' FEL/FWL
SPACING - 707521	1/23/2020 - G56 - (I.O.) 2, 11 & 14-8N-12E EST MULTIUNIT HORIZONTAL WELL X670063 WDFD, OTHERS 2-8N-12E X671757 WDFD, OTHERS 11 & 14-8N-12E 47.5% 14-8N-12E 47.5% 11-8N-12E 5% 2-8N-12E CALYX ENERGY III, LLC 1/14/2020

Operator: CALYX ENERGY III, LLC

Lease Name and No.: HAMILTON 2-14-2WH

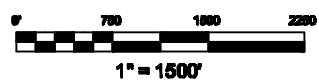
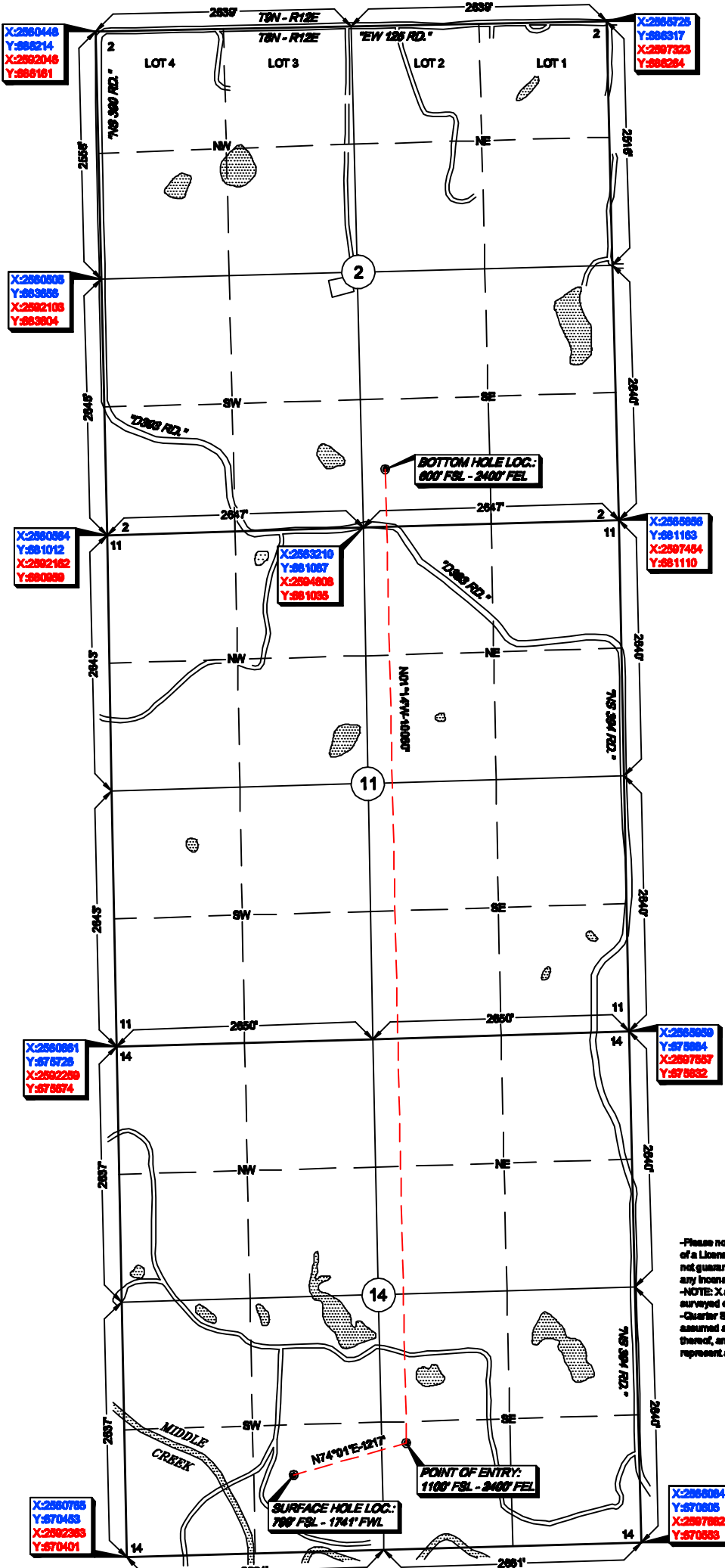
Footage: 799' FSL - 1741' FWL Gr. Elevation: 671'

063-24904

Section: 14 Township: 8N Range: 12E I.M.

County: Hughes State of Oklahoma

Terrain at Loc.: Location fell in a flat open pasture with a small hill and timber at the Northeast corner.



All bearings shown are grid bearings.

GPS DATUM

NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.:
Lat: 35°09'42.66"N
Lon: 96°00'45.59"W
Lat: 35.16185034
Lon: -96.01266251
X: 2562489.42
Y: 671301.33

Surface Hole Loc.:
Lat: 35°09'42.32"N
Lon: 96°00'44.58"W
Lat: 35.16175469
Lon: -96.01238384
X: 2594087.18
Y: 671249.29

Point of Entry:
Lat: 35°09'45.75"N
Lon: 96°00'31.42"W
Lat: 35.1627072
Lon: -96.00872863
X: 2563658.90
Y: 671636.33

Point of Entry:
Lat: 35°09'45.40"N
Lon: 96°00'30.42"W
Lat: 35.16261146
Lon: -96.00845004
X: 2595256.67
Y: 671584.25

Bottom Hole Loc.:
Lat: 35°11'25.25"N
Lon: 96°00'31.65"W
Lat: 35.19034642
Lon: -96.00879135
X: 2563441.71
Y: 681694.23

Bottom Hole Loc.:
Lat: 35°11'24.90"N
Lon: 96°00'30.65"W
Lat: 35.19025005
Lon: -96.00851269
X: 2595039.49
Y: 681641.66

-Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.
-NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true boundary survey.
-Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

Survey and plat by:
Arkoma Surveying and Mapping, PLLC
P.O. Box 238 Wilburton, OK 74578
Ph. 918-465-5711 Fax 918-465-5030
Certificate of Authorization No. 5348
Expires June 30, 2020

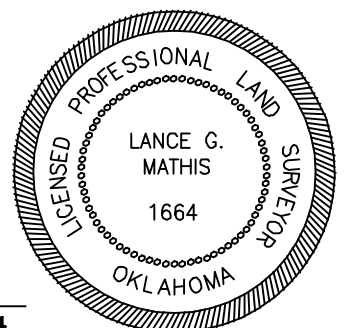
Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

Lance G. Mathis
LANCE G. MATHIS

12/31/19

OK LPLS 1664



Invoice #8955-A
Date Staked: 12/18/19 By: H.S.
Date Drawn: 12/19/19 By: C.K.
Rev. POE: 12/31/19 By: C.K.



Well Location Plat

S.H.L. Sec. 14-8N-12E I.M.
B.H.L. Sec. 2-8N-12E I.M.

Operator: CALYX ENERGY III, LLC

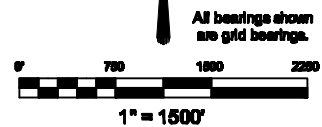
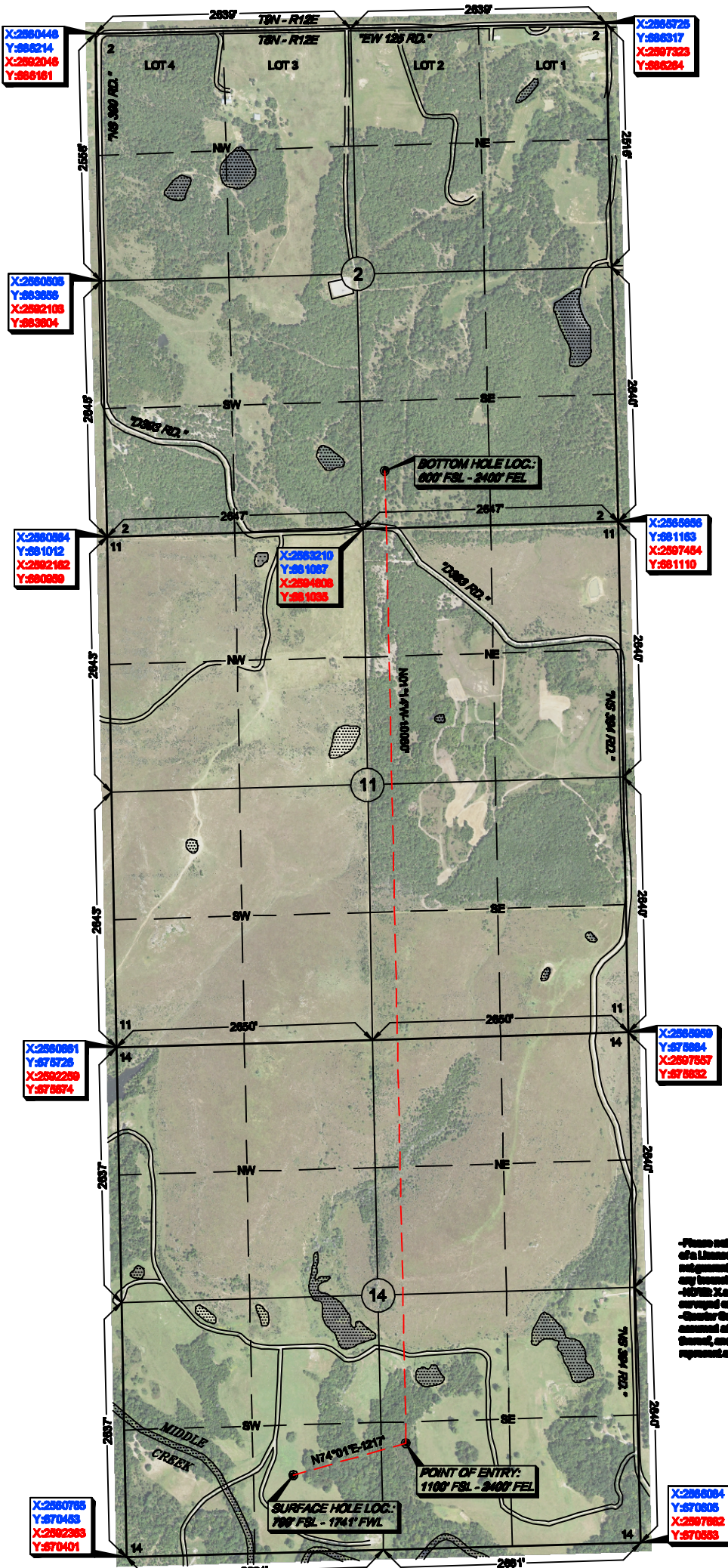
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-North X and Y data shown herein for Section Corners may have been surveyed on the ground, and therefore, does NOT represent a true boundary survey.
-Quarter Section distances may be derived from a Government Survey Filed against the appropriate distance from opposing section corners, or as shown on the ground, and may not have been measured on the ground, and therefore, does not represent a true boundary survey.

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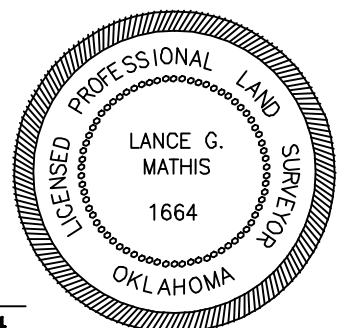
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