

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

API NUMBER: 017 25468 A

Approval Date: 06/03/2019
Expiration Date: 12/03/2020

Horizontal Hole Oil & Gas

Amend reason: AMEND TO ADD WOODFORD FORMATION AND
UPDATE ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 06 Twp: 12N Rge: 7W County: CANADIAN
SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 870 2344

Lease Name: PHOENIX 7-12-7 Well No: 2MH Well will be 870 feet from nearest unit or lease boundary.
Operator Name: JONES ENERGY LLC Telephone: 5123282953 OTC/OCC Number: 21043 0

JONES ENERGY LLC
807 LAS CIMAS PKWY STE 350
AUSTIN, TX 78746-6193

JONES ENERGY LLC
SUITE 350
807 LAS CIMAS PARKWAY
AUSTIN TX 78746

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	10116	6	
2	WOODFORD	10396	7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201902665
201902669
201902666
201902667
201902974

Special Orders:

Total Depth: 15966 Ground Elevation: 1348 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 310

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: 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: BLAINE

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 19-36218
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: 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: BLAINE

HORIZONTAL HOLE 1

Sec 07 Twp 12N Rge 7W County CANADIAN

Spot Location of End Point: SE SW SW SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 2250

Depth of Deviation: 9616

Radius of Turn: 900

Direction: 177

Total Length: 4936

Measured Total Depth: 15966

True Vertical Depth: 12150

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category

Description

DEEP SURFACE CASING

5/21/2019 - 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

5/21/2019 - 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

5/21/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201902665

5/31/2019 - G56 - (320)(HOR) E2 7-12N-7W
EST MSSP, WDFD, OTHERS
COMPL INT (MSSP) NCT 660' FB
COMPL INT (WDFD) NCT 165' FNL/FSL, NCT 330' FEL/FWL
(COEXIST WITH SP # 146122 MSSP, OTHER; # 147489 MSSP, OTHER)
REC 5/28/2019 (MOORE)

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.

017 25468 PHOENIX 7-12-7 2MH

Category	Description
PENDING CD - 201902667	5/31/2019 - G56 - (I.O.) E2 7-12N-7W X165:10-3-28(C)(2)(B) MSSP MAY BE CLOSER THAN 600' TO ADAMS PARK 7-4 WELL NO OP NAMED REC 5/28/2019 (MOORE)
PENDING CD - 201902669	5/31/2019 - G56 - (I.O.) E2 7-12N-7W X201902665 MSSP COMPL INT NCT 165' FNL, NCT 165' FSL, NCT 390' FWL NO OP NAMED REC 5/28/2019 (MOORE)
WATERSHED STRUCTURE	6/3/2019 - G56 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (405) 224-0523 PRIOR TO DRILLING