API NUMBER: 017 25523

Oil & Gas

Horizontal Hole

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

Approval Date: 09/13/2019 03/13/2021 **Expiration Date**

PERMIT TO DRILL

WELL LOCATION:	Sec:	20	Twp:	12N	Rge:	6W	County:	CANADIAN

SPOT LOCATION: SW FEET FROM QUARTER: sw SE SOUTH FROM EAST II SE SECTION LINES: 235 1130

Lease Name: DENALI 1206 Well No: 4UMH-20 Well will be 235 feet from nearest unit or lease boundary.

CHAPARRAL ENERGY LLC Operator OTC/OCC Number: Telephone: 4054788770: 4054264 16896 0 Name:

CHAPARRAL ENERGY LLC 701 CEDAR LAKE BLVD

OKLAHOMA CITY. 73114-7800 OK

SCOTT R. & SONIA M. HAYES

8908 LEHMAN ROAD

EL RENO OK 73036

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

Name Depth Name Depth MISSISSIPPIAN 1 8860 6 2 7 3 8 4 9 5 10 667934 Spacing Orders: Location Exception Orders: Increased Density Orders:

Pending CD Numbers: 201904363 Special Orders:

201904362

Total Depth: 13900 Ground Elevation: 1315 Surface Casing: 1000 Depth to base of Treatable Water-Bearing FM: 320

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 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?

is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C Pit Location is BED AQUIFER Pit Location Formation: DUNCAN D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 19-36947

H. SEE MEMO

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 BED AQUIFER
Pit Location Formation: DUNCAN

HORIZONTAL HOLE 1

Sec 20 Twp 12N Rge 6W County CANADIAN

Spot Location of End Point: NW NW NE NE
Feet From: NORTH 1/4 Section Line: 165
Feet From: EAST 1/4 Section Line: 1040

Depth of Deviation: 8356 Radius of Turn: 382

Direction: 1

Total Length: 4944

Measured Total Depth: 13900

True Vertical Depth: 8965

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

Notes:

Category Description

DEEP SURFACE CASING 9/5/2019 - 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 9/5/2019 - 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 9/5/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED - PURCELL CREEK), PIT

2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201904362 9/12/2019 - GC2 - 20-12N-6W

X667934 MSSP 3 WELLS NO OP. NAMED HEARING 9-16-2019 PENDING CD - 201904363 9/12/2019 - GC2 - (E.O.) 20-12N-6W

X667934 MSSP

X165:10-3-28 MSSP MAY BE CLOSER THAN 600' TO MARGARET "O" 20-1, LEHMAN 20-1 WELLS

COMPL. INT. NCT 150' FNL, NCT 150' FSL, NCT 330' FEL

CHAPARAL ENERGY, LLC REC. 8-30-2019 (NORRIS)

SPACING - 667934 9/12/2019 - GC2 - (640)(HOR) 20-12N-6W

EXT 631353 MSSP, OTHERS

NCT 660' FB

(COEXIST SP. ORDER # 130956 MISS)

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

13800 Wireless Way, Okla. City, OK. 73134 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219

Certificate of Authorization No. 1293 LS API: 017-25523 CANADIAN _ County, Oklahoma 235'FSL-1130'FEL 20 6W_1.M. ___ Township ____12N __ Range __ Section X 2045128 Y 184910 5257'-[66] X 2042496 Y 184909 X 2039871 Y 184908 2042496 PROPOSED BOTTOM HOLE 165'FNL-1040'FEL NAD-27 35'30'26.7" N 97'51'06.8" W 35.507430275' N EXISTING WELL ±472' WEST OF DRILL PATH 97.851882321° W X 2044088 Y 184744 PATH DRILL PROPOSED OGRAD 2042497 2045132 2039868 182226 Y 182269 557 1,958 1 - 40PROPOSED LANDING POINT GRID NAD-27 165'FSL-1040'FEL NAD-27 OK NORTH US Feet 35*29*37.9" N 97*51*06.8" W 35.493847721' N 97.851879580' W SCALE: = 1000' 500 1000 X 2044096 179800 EXISTING WELL ±351' WEST OF DRILL PATH SURFACE HOLE 235'FSL-1130'FEL DENALI 1206 5SMH-20 NAD-83 35'29'38.7" N 97'51'09.0" W X 2039866 Y 179627 X 2042499 Y 179632 DENALI 1206 4UMH-20 5271' X 2045137 Y 179637 THE INFORMATION SHOWN HEREIN IS FOR CONSALUCTION PURPOSES ONLY LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR LISTED, NOT SURVEYED. **ELEVATION:** Operator: CHAPARRAL ENERGY, LLC 1315' Gr. at Stake (NGVD29) Lease Name: DENALI 1206 Well No.: 4UMH-20 1316' Gr. at Stake (NAVD88) Topography & Vegetation <u>Fell in grass pasture.</u> Reference Stakes or Alternate Location Good Drill Site? Yes Stakes Set None Best Accessibility to Location From South off county road. Distance & Direction From the junction of Banner Rd. and I-40 go South ±0.5 mile to the Southeast Corner of from Hwy Jct or Town _ TH' Section 20, T12N-R6W. Revision X A Date of Drawing: Sep. 5, 2019 DATUM: NAD-27 Project # <u>129466</u> Date Staked: <u>Aug. 29, 2019</u> AL/TR LAT: 35'29'38.5" N LONG: 97'51'07.9" W LONG: 9/510/.9 W
LAT: 35.494039914 N
LONG: 97.852181895 W
LONG: 97.852181895 W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK NORTH
X: 2044006
Y: 179870 **CERTIFICATE:** I, Thomas L. Howell an Oklahoma Licensed Land SURVE Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein. TLAHOMA TO mz Oklahoma Lic. No. <u>143</u>3