PI NUMBER: 017 25565 rizontal Hole Oil & Gas liti Unit	OIL & GAS (F OKLAHOI	ORPORATION COMMISSIC CONSERVATION DIVISION P.O. BOX 52000 MA CITY, OK 73152-2000 Rule 165:10-3-1)	Approval Date:	Approval Date: 12/02/2019 Expiration Date: 06/02/2021				
	P	ERMIT TO DRILL						
WELL LOCATION: Sec: 29 Twp: 12N Rge: 8W								
SPOT LOCATION: NE NE NW NE	SECTION LINES:	ORTH FROM EAST						
Lease Name: FATBOY 29_32-12N-8W	Well No: 4	80 1474 MHX	Well will be 280 feet from nea	rest unit or lease boundary.				
Operator PALOMA OPERATING CO INC Name:		Telephone: 7136508509	OTC/OCC Number:	23932 0				
PALOMA OPERATING CO INC 1100 LOUISIANA ST STE 5100		CLINT REU 10402 REN	ITER IO RD WEST					
HOUSTON, TX	77002-5220	EL RENO	ОК	73036				
1 MISSISSIPPIAN 2 MISSISSIPPI 3 4 5	Depth 10280 10980	6 7 8 9 10		pth				
Spacing Orders: 139651 621360	Location Exception Or	ders:	Increased Density Orders:					
Pending CD Numbers: 201905234 201905226 201905227 201905233			Special Orders:					
Total Depth: 21338 Ground Elevation: 143	37 Surface Ca	sing: 1500	Depth to base of Treatable Wa	ter-Bearing FM: 360				
		Deep surface casing	has been approved					
Under Federal Jurisdiction: No	Fresh Water St	upply Well Drilled: No	Surface Wate	r used to Drill: No				
PIT 1 INFORMATION		Approved Method for di	sposal of Drilling Fluids:					
Type of Pit System: CLOSED Closed System Means S	teel Pits							
Type of Mud System: WATER BASED		D. One time land appli	cation (REQUIRES PERMIT)	PERMIT NO: 19-3707				
Chlorides Max: 5000 Average: 3000		F. Haul to Commercial 659856	soil farming facility: Sec. 27 Twn. 17N	Rng. 9W Cnty. 73 Order No:				
Is depth to top of ground water greater than 10ft below bas Within 1 mile of municipal water well? N	se of pit? Y	G. Haul to recycling/re-	use facility: Sec. 22 Twn. 16N Rng. 9V	/ Cnty. 73 Order No: 647741				
Wellhead Protection Area? N		H. SEE MEMO						
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 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: DOG CREEK

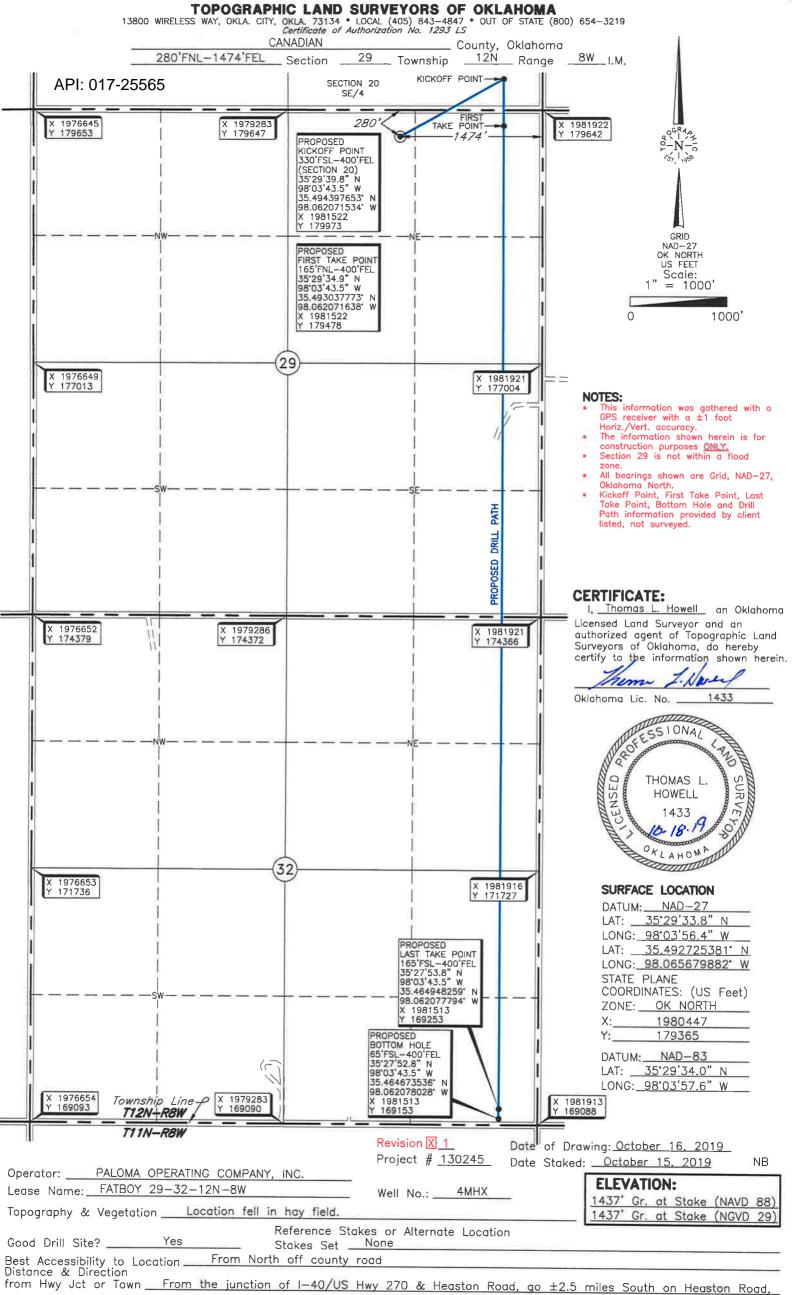
HORIZONTAL HOLE 1

Sec	32	Twp	12N	Rge	8W	/	Coun	ty	CANADIAN			
Spot	Locatior	n of En	d Poin	t: S\	:: SW SE				SE			
Feet	From:	1/4 Se	1/4 Section Line: 65									
Feet	From:	EAS	т	1/4 Se	ctior	l Lin	e:	400				
Depth of Deviation: 10571												
Radius of Turn: 488												
Direction: 170												
Total Length: 10000												
Measured Total Depth: 21338												
True Vertical Depth: 11049												
End Point Location from Lease,												
	Unit, or	Proper	ty Line	: 65								

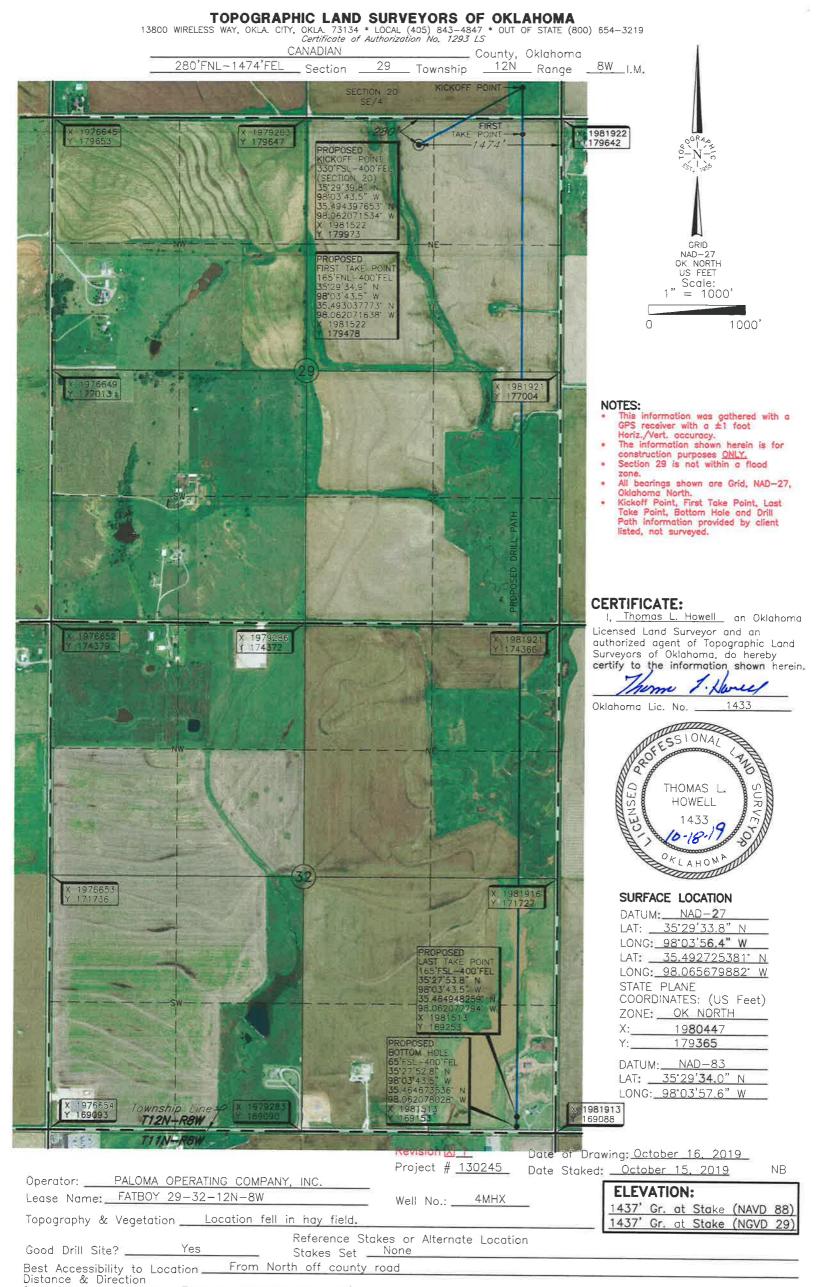
Notes:	
Category	Description
DEEP SURFACE CASING	11/13/2019 - GC2 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	11/13/2019 - GC2 - OCC 165:10-3-10 REQUIRES:
	1) PRIOR TO COMMENCEMENT 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	11/13/2019 - GC2 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 201905226	11/27/2019 - GC2 - 29-12N-8W X621360 MSSP 3 WELLS NO OP. NAMED REC. 11-12-2019 (PRESLAR)

PENDING CD - 201905227	11/27/2019 - GC2 - 32-12N-8W X139651 MISS 2 WELLS NO OP. NAMED REC. 11-12-2019 (PRESLAR)
PENDING CD - 201905233	11/27/2019 - GC2 - (I.O.) 29 & 32-12N-8W EST MULTIUNIT HORIZONTAL WELL X621360 MSSP 29-12N-8W X139651 MISS 32-12N-8W 50% 29-12N-8W 50% 32-12N-8W PALOMA PARTNERS IV, LLC REC. 11-12-2019 (PRESLAR)
PENDING CD - 201905234	11/27/2019 - GC2 - (I.O.) 32 & 29-12N-8W X139651 MISS 32-12N-8W X621360 MSSP 29-12N-8W COMPL. INT. (29-12N-8W) NCT 165' FNL, NCT 0' FSL, NCT 330' FEL COMPL. INT. (32-12N-8W) NCT 0' FNL, NCT 165' FSL, NCT 330' FEL PALOMA PARTNERS IV, LLC REC. 11-12-2019 (PRESLAR)
SPACING - 139651	11/27/2019 - GC2 - (640) 32-12N-8W EXT 131699 MISS, OTHERS
SPACING - 621360	11/27/2019 - GC2 - (640) 29-12N-8W VAC 131699 VAC 139651*** EST MSSP, OTHERS COMPL. INT. NCT 660' FB
	***ORDER 139651 SHOULD NOT BE VAC; NUNC PRO TUNC WILL BE FILED BY ATTORNEY FOR

OPERATOR; OKAY PER MCCOY



then ±0.5 mile East to the North Quarter Corner of Section 29, T12N-R8W.

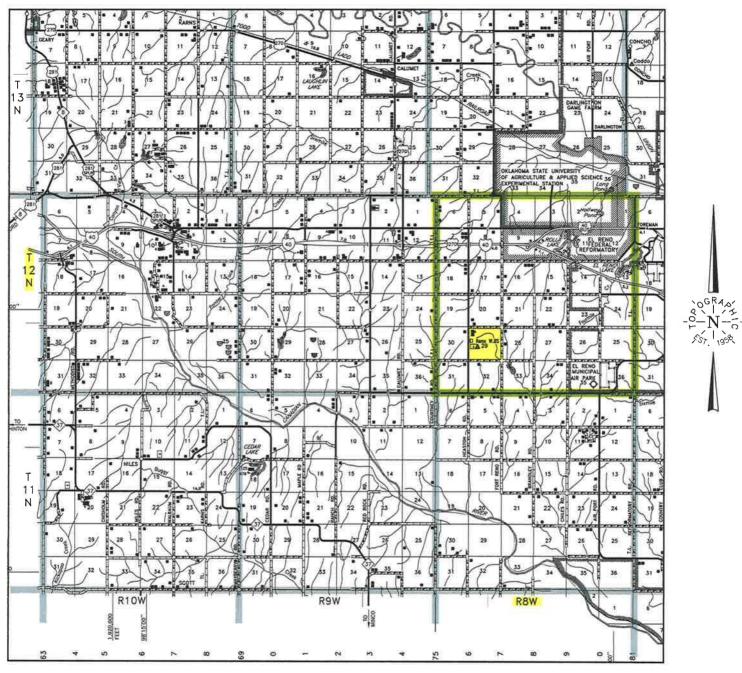


rom	Hwy J	lct or	Towr	۱ <u></u>	From	h the	junction	of I-	-40/L	S Hwy	270	&	Heaston	Road,	go	±2.5	miles	South	on	Heaston	Road,	
							Quarter															

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

Surveying and Mapping for the Energy Industry 13800 Wireless Way Oklahoma City, OK 73134 www.topographic.com Telephone Numbers: Local (405) 843-4847 Toll Free (800) 654-3219

VICINITY MAP



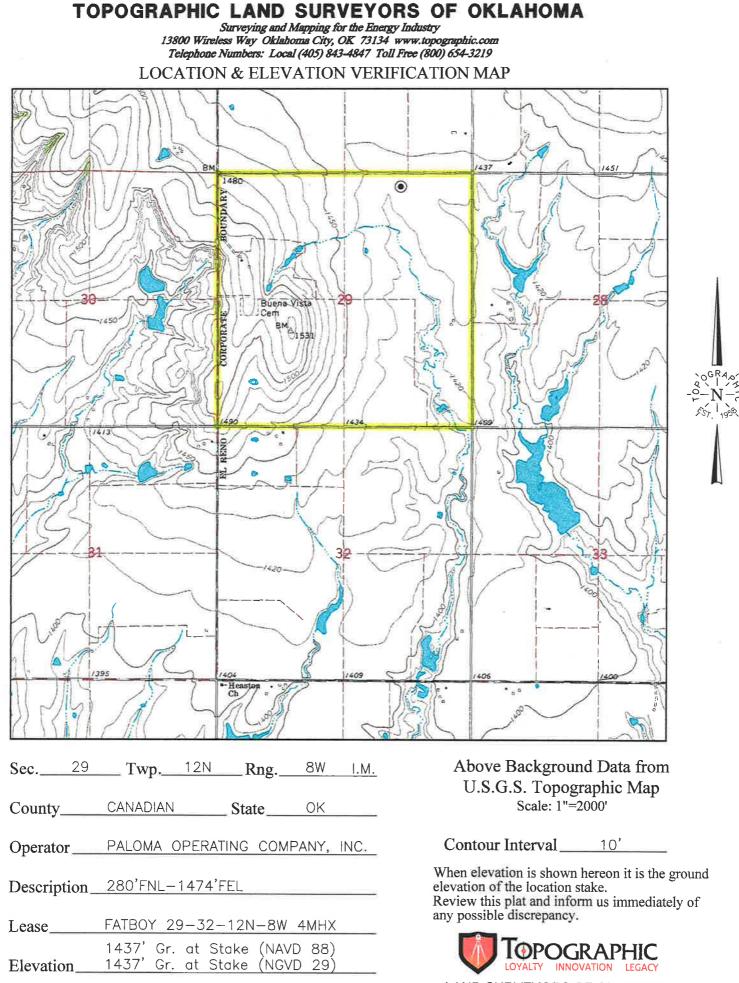
Scale: 1'' = 3 Miles

Sec. 29 Twp. 12N Rng. 8W I.M.

County CANADIAN State OK

Operator PALOMA OPERATING COMPANY, INC.





LAND SURVEYORS OF OKLAHOMA