API NUMBER: 017 25512 B

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

Approval Date: 08/28/2019
Expiration Date: 02/28/2021

Horizontal Hole Oil & Gas

AMEND PERMIT TO DRILL

FROM

WEST

Amend reason:	MOVE	SHL

 WELL LOCATION:
 Sec:
 17
 Twp:
 12N
 Rge:
 8W
 County:
 CANADIAN

 SPOT LOCATION:
 NW
 NE
 NE
 NW
 FEET FROM QUARTER:
 FROM
 NORTH

SECTION LINES: **288 1992**

Lease Name: SUMMER MOON 8-12N-8W Well No: 11MH Well will be 288 feet from nearest unit or lease boundary.

Operator PALOMA OPERATING CO INC Telephone: 7136508509 OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC 1100 LOUISIANA ST STE 5100

HOUSTON, TX 77002-5220

CHARLES LAWRENCE

3 PEBBLE DR

ENID OK 73703

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

Name Depth Name Depth MISSISSIPPI 1 10968 6 2 7 8 3 4 9 10 137303 Spacing Orders: Location Exception Orders: 699172 Increased Density Orders: 696868

Pending CD Numbers: Special Orders:

Total Depth: 16122 Ground Elevation: 1413 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 310

Deep surface casing has been approved

Approved Method for disposal of Drilling Fluids:

H. SEE MEMO

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED Chlorides Max: 3000 Average: 1500

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 SHALE

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

PERMIT NO: 19-36877

G. Haul to recycling/re-use facility: Sec. 22 Twn. 16N Rng. 9W Cnty. 73 Order No: 647741

F. Haul to Commercial soil farming facility: Sec. 27 Twn. 17N Rng. 9W Cnty. 73 Order No: 659856

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 SHALE

HORIZONTAL HOLE 1

Sec 08 Twp 12N Rge 8W County CANADIAN

Spot Location of End Point: NE NE NW NW
Feet From: NORTH 1/4 Section Line: 65
Feet From: WEST 1/4 Section Line: 1160

Depth of Deviation: 9990
Radius of Turn: 382
Direction: 353
Total Length: 5532

Measured Total Depth: 16122
True Vertical Depth: 11113
End Point Location from Lease,
Unit, or Property Line: 65

Notes:

Category Description

DEEP SURFACE CASING 8/6/2019 - 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 8/6/2019 - 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

INCREASED DENSITY - 696868 8/22/2019 - GC0 - 8-12N-8W

X137303 MISS 3 WELLS NO OP. NAMED 5/30/2019

LOCATION EXCEPTION - 699172 8/22/2019 - GC0 - (I.O.) 8-12N-8W

X137303 MISS

X165:10-3-28(C)(2)(B) MISS MAY BE CLOSER THAN 600' FROM EXISTING AND/OR PROPOSED

WELLS

COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 660' FWL

PALOMA OPERATING CO. INC.

7/15/2019

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.

017 25512 SUMMER MOON 8-12N-8W 11MH

MEMO

SPACING - 137303

8/6/2019 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 1 - WBM & CUTTINGS TO ORDER # 659856, 27-T17N-R9W, KINGFISHER CO; PIT 2 - OBM TO

VENDOR, OBM CUTTINGS TO ORDER # 647741, 22-T16N-R9W, KINGFISHER CO

8/21/2019 - GC0 - (640) 8-12N-8W

EXT OTHER

EXT 122864/134373 MISS, OTHERS

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.

API 017-25512B TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA
13800 Wireless Way, Okla. City, OK. 73134 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219

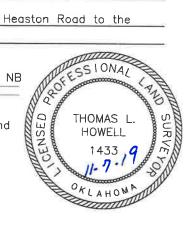
Certificate of Authorization No. 1293 LS CANADIAN County, Oklahoma Section 12N Range <u>8W I.M.</u> <u> 288'FNL-1992'FWL</u> 17 Township X 1981918 1979286 1976654 PROPOSED Y 195473 195452 195462 BOTTOM HOLE 65'FNL-1160'FWL 35'32'12.3" N 98'04'28.4" W 35.536748908° 98.074568397* X 1977813 Y 195391 195391 PROPOSED LAST TAKE POINT 165'FNL-1160'FWL 35'32'11.3" N 98'04'28.4" W HEASTON 35.536474181 98.074568372° W 1977813 ROAD 195291 (F-40) 8 PROPOSED FIRST TAKE POINT 165'FSL-1160'FWL 35'31'22.5" N 98'04'28.4" W GRID X 198192 Y 192833 NAD-27 1976652 OK NORTH US FEET PROPOSED 192820 Scale: 1" = 1000' 35.522910314 98.074568016 W 1977810 DRILL 190354 1000 0 PATH PROPOSED KICKOFF POINT 330'FNL-1160'FWL (SEC.17) 35'31'17.6" N 98'04'28.4" W 35.521550432 98.074567526 1977809 189859 PROPOSED SURFACE HOLE X 1979291 Y 190190 1976649 190188 X 1981925 Y 190193 288'FNL-1992'FWL NAD-83 (US FEET) 35'31'18.2" N 98'04'19.6" W 288 SECTION 17 NW/4 649 1992 KICKOFF POINT, FIRST TAKE POINT, LAST TAKE POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR THE INFORMATION SHOWN HEREIN IS FOR CONSTRUCTION PURPOSES ONLY LISTED, NOT SURVEYED. **ELEVATION:** 1413' Gr. at Existing Pad (NAVD 88) Operator: PALOMA OPERATING COMPANY, INC. 1413' Gr. at Existing Pad (NGVD 29) Lease Name: SUMMER MOON 8-12N-8W Well No.: 11MH Topography & Vegetation Location fell on existing pad. Reference Stakes or Alternate Location Yes Good Drill Site? ___ Stakes Set None Best Accessibility to Location From North off county road Distance & Direction from Hwy Jct or Town From the junction of Heaston Road & I—40, go ±0.5 mile South on Heaston Road to the Northwest Corner of Section 17, T12N-R8W. Revision X 6 Date of Drawing: Nov. 6, 2019 Project # 123274C Date Staked: __ DATUM: NAD-27 Feb. 21,

DATUM: NAD-27
LAT: _35'31'18.0" N
LONG: 98'04'18.4" W
LAT: _35.521669641' N
LONG: 98.0717771982' W
STATE PLANE
COORDINATES (US FEET):
ZONE: OK NORTH
X: _1978641
Y: _189902

CERTIFICATE:

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.

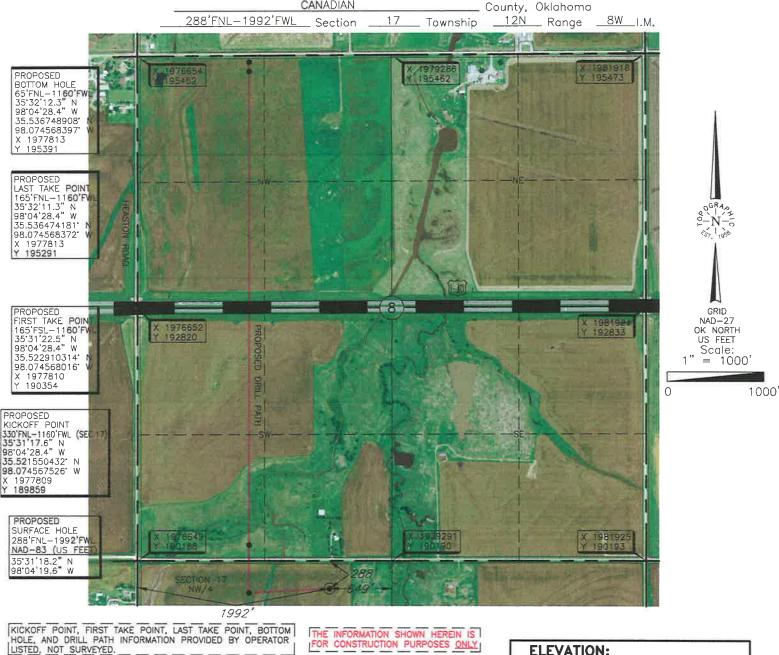
Oklahoma Lic. No. 1433



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 CANADIAN



Operator: PALOMA OPERATING COMPANY, INC

Lease Name: SUMMER MOON 8-12N-8W

Well No.: 11MH

1413' Gr. at Existing Pad (NAVD 88) 1413' Gr. at Existing Pad (NGVD 29)

Topography & Vegetation Location fell on existing pad-

Reference Stakes or Alternate Location

Yes Stakes Set None Good Drill Site? ___

Best Accessibility to Location From North off county road

Distance & Direction

This hered ±1 fo

from Hwy Jct or Town From the junction of Heaston Road & I-40, go ± 0.5 mile South on Heaston Road to the

Northwest Corner of Section 17, T12N-R8W.

was receiver accuracy. NATUM:_NAD-27 LAT: <u>35°31'18.0" N</u> LONG: 98'04'18.4" W s information w d with a GPS I foot Horiz./Vert. c LAT: 35.521669641° N LONG: 98.071771982° W

STATE PLANE

COORDINATES (US FEET): ZONE: OK NORTH

1978641 189902 Revision X 6

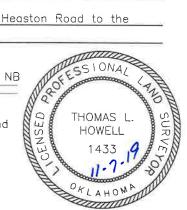
Date of Drawing: Nov. 6, 2019

Project # 123274C Date Staked: __ Feb. 21, 2019

CERTIFICATE:

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.

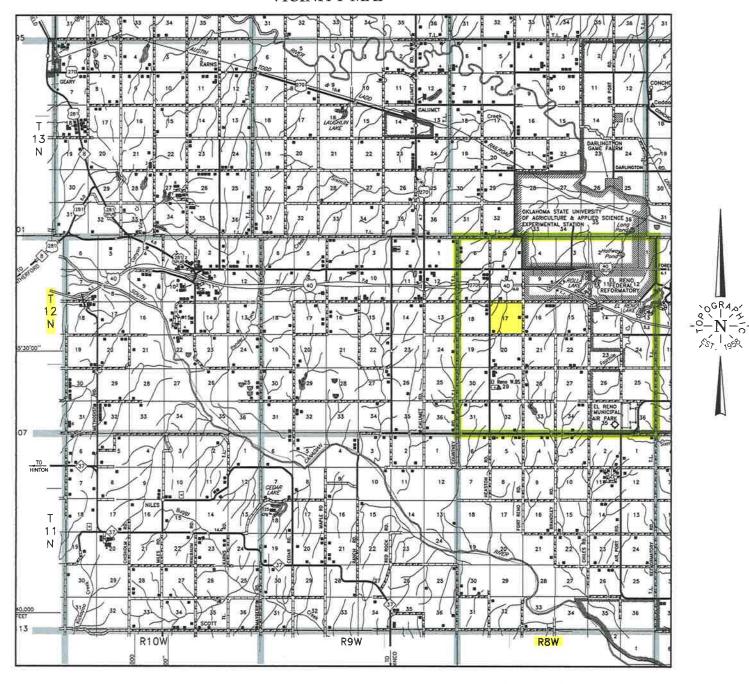
Oklahoma Lic. No. =



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

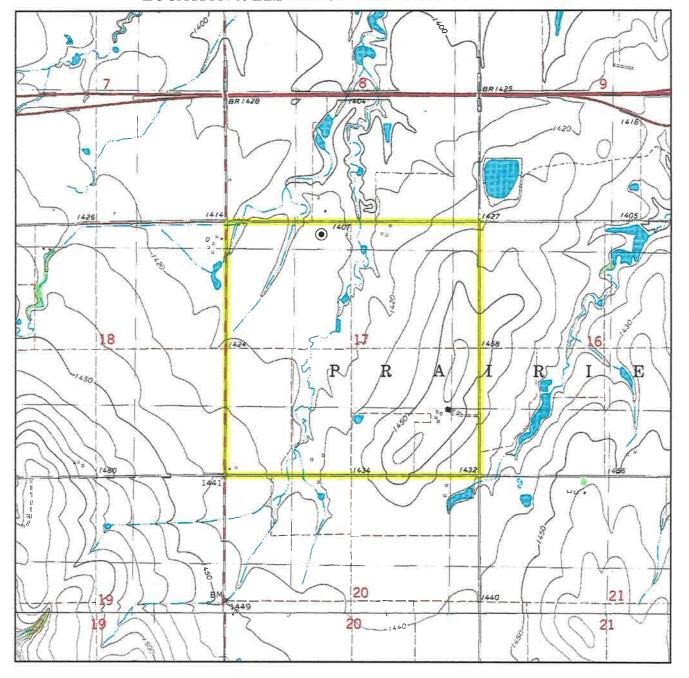
Sec. 17	Twp1	2NRng	8W I.M.
County	CANADIAN	State	OK
Operator	PALOMA OPE	RATING COM	IPANY, INC.



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

LOCATION & ELEVATION VERIFICATION MAP



Sec. 17 Twp. 12N Rng. 8W I.M.

County CANADIAN State OK

Operator PALOMA OPERATING COMPANY, INC.

Description 288'FNL-1992'FWL

Lease SUMMER MOON 8-12N-8W 11MH

1413' Gr. at Existing Pad (NAVD 88)
Elevation 1413' Gr. at Existing Pad (NGVD 29)

Above Background Data from U.S.G.S. Topographic Map Scale: 1"=2000'

Contour Interval 10'

When elevation is shown hereon it is the ground elevation of the location stake.

Review this plat and inform us immediately of any possible discrepancy.



LAND SURVEYORS OF OKLAHOMA