API NUMBER: 063 24916

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

Approval Date: 07/17/2020
Expiration Date: 01/17/2022

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 12 Township: 8N Range: 12E County: HUGHES

SPOT LOCATION: NE SW NW SE FEET FROM QUARTER: FROM **SOUTH** FROM **EAST**
SECTION LINES: **1900** **1985**

Lease Name: **FRANKLIN** **Well No:** **3-12-24WH** **Well will be** **1900** **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 NORTH 394
DUSTIN OK 74839

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

	Name	Code	Depth
1	MAYES	353MYES	4700
2	WOODFORD	319WDFD	4800
3	HUNTON	269HNTN	4865
4	SYLVAN	203SLVN	4865

Spacing Orders: 671206, 671757, 677910, 707385

Location Exception Orders: 707386

Increased Density Orders: 707350, 707351, 707352

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 15500 Ground Elevation: 916 **Surface Casing: 500** Depth to base of Treatable Water-Bearing FM: 250

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

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: 20-37380
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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: BED AQUIFER
Pit Location Formation: SENORA

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

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: BED AQUIFER
Pit Location Formation: SENORA

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.

MULTI UNIT HOLE 1

Section: 24	Township: 8N	Range: 12E	Total Length: 10200
County: PITTSBURG			Measured Total Depth: 15500
Spot Location of End Point: SE	SW	SW SE	True Vertical Depth: 4900
Feet From: **SOUTH**	1/4 Section Line: 165		End Point Location from Lease,Unit, or Property Line: 165
Feet From: **EAST**	1/4 Section Line: 2000		

NOTES:

Category	Description
HYDRAULIC FRACTURING	7/13/2020 - 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
INCREASED DENSITY – 707350 (201905614)	7/16/2020 - GB6 - 12-8N-12E X671757 WDFD 3 WELLS CALYX ENERGY III, LLC 01/09/2020
INCREASED DENSITY – 707351 (201905615)	7/16/2020 - GB6 - 13-8N-12E X671757 WDFD 3 WELLS CALYX ENERGY III, LLC 01/09/2020
INCREASED DENSITY – 707352 (201905616)	7/16/2020 - GB6 - 24-8N-12E X671206 WDFD 3 WELLS CALYX ENERGY III, LLC 01/09/2020
LOCATION EXCEPTION – 707386 (201905611)	7/16/2020 - GB6 - (I.O.) 12, 13, 24 -8N-12E X671206 MYES, WDFD, HNTN 24-8N-12E X671757 MYES, WDFD, HNTN 12, 13 -8N-12E X677910 SLVN 12, 13, 24 -8N-12E COMPL. INT. (12-8N-12E) NFT 1600’ FSL, NCT 0’ FSL, NCT 1600’ FEL COMPL. INT. (13-8N-12E) NCT 0’ FNL, NCT 0’ FSL, NCT 1600’ FEL COMPL. INT. (24-8N-12E) NCT 0’ FNL, NCT 165’ FSL, NCT 1600’ FEL CALYX ENERGY III, LLC 01/10/2020
SPACING – 671206	7/16/2020 - GB6 - (640)(HOR) 24-8N-12E EST CNEY, MYES, WDFD, HNTN COMPL. INT. (WDFD) NCT 165’ FSL, NCT 165’ FNL, NCT 330’ FEL, NCT 330’ FWL COMPL. INT. (CNEY) NCT 330’ FB COMPL. INT. (MYES, HNTN) NCT 660’ FB
SPACING – 671757	7/16/2020 - GB6 - (640)(HOR) 12, 13, -8N-12E EST CNEY, MYES, WDFD, HNTN COMPL. INT. (WDFD) NCT 165’ FSL, NCT 165’ FNL, NCT 330’ FEL, NCT 330’ FWL COMPL. INT. (CNEY) NCT 330’ FB COMPL. INT. (MYES, HNTN) NCT 660’ FB
SPACING – 677910	7/16/2020 - GB6 - (640)(HOR) 12, 13, 24 -8N-12E EXT 671213 SLVN COMPL. INT. NCT 330’ FB

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.

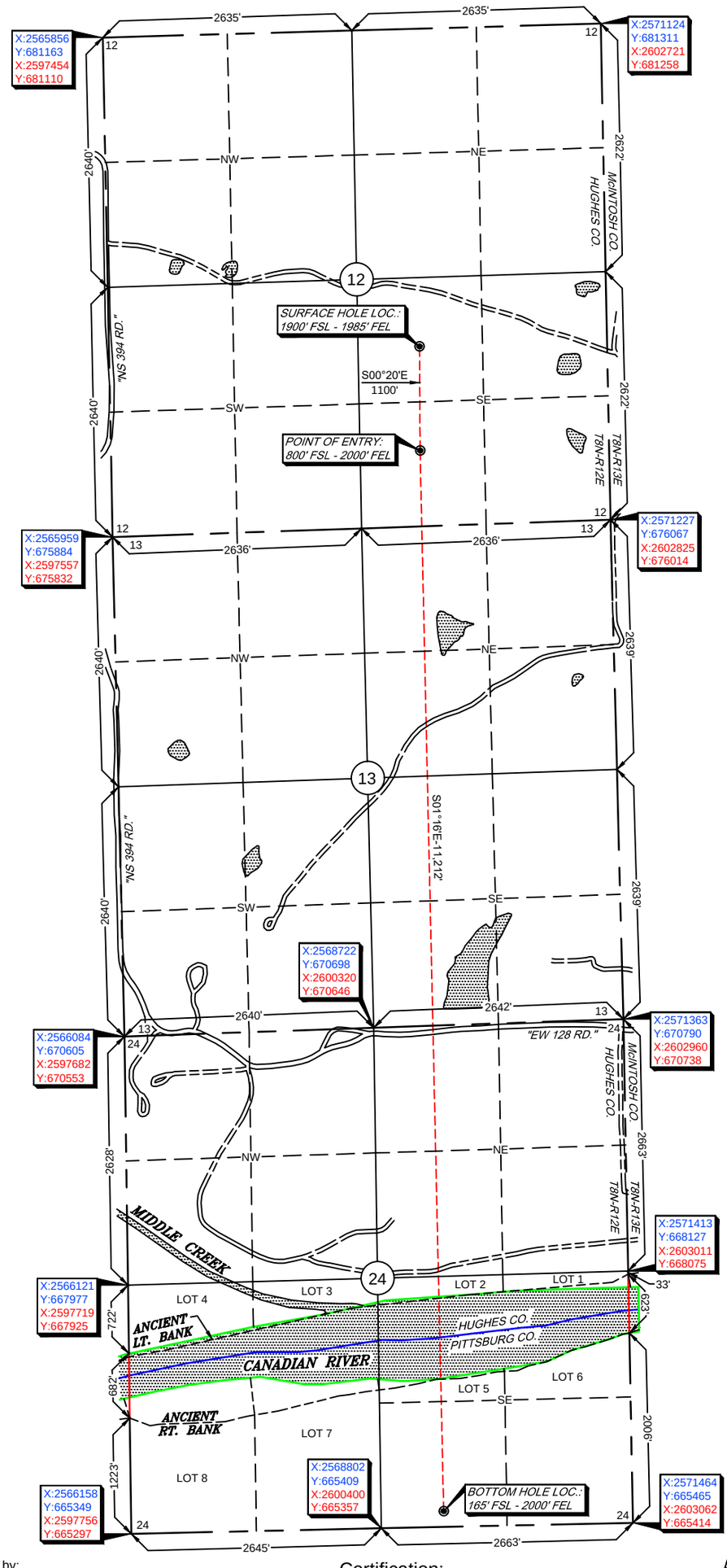
SPACING – 707385 (201905610)	7/16/2020 - GB6 - (I.O.) 12, 13, 24 -8N-12E EST MULTIUNIT HORIZONTAL WELL X671206 MYES, WDFD, HNTN 24-8N-12E X671757 MYES, WDFD, HNTN 12, 13 -8N-12E X677910 SLVN 12, 13, 24 -8N-12E (MYES, HNTN, SLVN ADJACENT COMMON SOURCES OF SUPPLY TO WDFD. IN THIS AREA THE HNTN IS ERRATIC AND THE SLVN SHOULD BE CONSIDERED AN ADJACENT COMMON SOURCE OF SUPPLY TO WDFD) 10% 12-8N-12E 45% 13-8N-12E 45% 24-8N-12E CALYX ENERGY III, LLC 01/10/2020

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.

Well Location Plat

S.H.L. Sec. 12-8N-12E I.M.
B.H.L. Sec. 24-8N-12E I.M.

Operator: CALYX ENERGY III, LLC
Lease Name and No.: FRANKLIN 3-12-24WH
Surface Hole Location: 1900' FSL - 1985' FEL Gr. Elevation: 916'
NE/4-SW/4-NW/4-SE/4 Section: 12 Township: 8N Range: 12E I.M. County: Hughes County, OK
Bottom Hole Location: 165' FSL - 2000' FEL
SE/4-SW/4-SW/4-SE/4 Section: 24 Township: 8N Range: 12E I.M. County: Pittsburg County, OK
Terrain at Loc.: Location fell in open pasture with light timber/brush along S. & W. sides of site.



All bearings shown are grid bearings.

0' 750' 1500' 2250'

1" = 1500'

GPS DATUM
NAD 83
NAD 27
OK SOUTH ZONE

Surface Hole Loc.:	
Lat:	35°10'46.57"N
Lon:	95°59'23.13"W
Lat:	35.17960324
Lon:	-95.98975717
X:	2569205.95
Y:	677897.37
Surface Hole Loc.:	
Lat:	35°10'46.22"N
Lon:	95°59'22.12"W
Lat:	35.17950675
Lon:	-95.98947907
X:	2600803.70
Y:	677844.87
Point of Entry:	
Lat:	35°10'35.69"N
Lon:	95°59'23.31"W
Lat:	35.17658138
Lon:	-95.98980856
X:	2569212.50
Y:	676797.37
Point of Entry:	
Lat:	35°10'35.35"N
Lon:	95°59'22.31"W
Lat:	35.17648494
Lon:	-95.98953047
X:	2600810.25
Y:	676744.93
Bottom Hole Loc.:	
Lat:	35°08'44.80"N
Lon:	95°59'23.00"W
Lat:	35.14577730
Lon:	-95.98972179
X:	2569461.70
Y:	665587.97
Bottom Hole Loc.:	
Lat:	35°08'44.45"N
Lon:	95°59'22.00"W
Lat:	35.14568153
Lon:	-95.98944380
X:	2601059.44
Y:	665536.07

- 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, 2022

Invoice #9076-B
Date Staked: 06/24/2020 By: H.S.
Date Drawn: 06/25/2020 By: K.M.

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 06/29/2020
LANCE G. MATHIS OK LPLS 1664

LICENSED PROFESSIONAL LAND SURVEYOR
LANCE G. MATHIS
1664
OKLAHOMA