

API NUMBER: 043 23645 A

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

Approval Date: 08/03/2018

Expiration Date: 02/03/2019

Horizontal Hole Oil & Gas

Amend reason: CHANGE SHL AND OPERATOR. UPDATE OCC
ORDERS.**AMEND PERMIT TO DRILL**

WELL LOCATION: Section: 23 Township: 17N Range: 19W County: DEWEY

SPOT LOCATION: SW SE SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 40 805

Lease Name: OWEN 26-17N-19W Well No: 1CH Well will be 40 feet from nearest unit or lease boundary.

Operator Name: CONTANGO RESOURCES INC Telephone: 7132367456 OTC/OCC Number: 24432 0

CONTANGO RESOURCES INC
717 TEXAS AVE STE 2900
HOUSTON, TX 77002-2836SWINDELL LIVING TRUST
11580 MOUNTAIN TOP CIRCLE
JONESTOWN TX 78645

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

Name	Code	Depth
1 CLEVELAND	405CLVD	9156

Spacing Orders: 105050

Location Exception Orders: 683515

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 14500

Ground Elevation: 2010

Surface Casing: 630

Depth to base of Treatable Water-Bearing FM: 380

Under Federal Jurisdiction: No
Fresh Water Supply Well Drilled: No
Surface Water used to Drill: Yes**Approved Method for disposal of Drilling Fluids:**D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34995
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST**PIT 1 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: AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Section: 26 Township: 17N Range: 19W

Total Length: 4938

County: DEWEY

Measured Total Depth: 14500

Spot Location of End Point: SE SE SW SW

True Vertical Depth: 9250

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 1050

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

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.

Category	Description
HYDRAULIC FRACTURING	<p>7/31/2018 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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: OCCWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>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</p>
LOCATION EXCEPTION - 683515 (201804920)	<p>8/3/2018 - G57 - (I.O.) 26-17N-19W X105050 CLVD COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 900' FWL NO OP. NAMED 09/21/2018</p>
SPACING - 105050	<p>8/3/2018 - G57 - (640) 26-17N-19W EST CLVD, OTHERS EXT OTHERS</p>

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Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District
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043 23645 OWEN 26-17N-19W 1CH