

API NUMBER: 043 23659 A

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

Approval Date: 10/01/2018
Expiration Date: 04/01/2020

Horizontal Hole Oil & Gas

Amend reason: OCC CORRECTION: UPDATE ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 25 Township: 19N Range: 14W County: DEWEY

SPOT LOCATION: ☐ NE ☐ NW ☐ NW ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 200 2030

Lease Name: ADAMS 24/13-19-14 Well No: 1H Well will be 200 feet from nearest unit or lease boundary.

Operator Name: TAPSTONE ENERGY LLC Telephone: 4057021600 OTC/OCC Number: 23467 0

TAPSTONE ENERGY LLC
100 E MAIN ST
OKLAHOMA CITY, OK 73104-2509

SUSAN R. & THOMAS L. ADAMS
HCR 65, BOX 126
CANTON OK 73724

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

Name	Code	Depth
1 MISSISSIPPIAN (LESS CHESTER)	359MSNLC	9600

Spacing Orders: 686480

Location Exception Orders: 700473

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 19600

Ground Elevation: 1692

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 160

Deep surface casing has been approved

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: 18-35451
H. SEE MEMO

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? N

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: RUSH SPRINGS

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 8000 Average: 5000

Is depth to top of ground water greater than 10ft below base of pit? N

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: RUSH SPRINGS

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.

HORIZONTAL HOLE 1

Section: 13	Township: 19N	Range: 14W	Total Length: 10040
County: DEWEY			Measured Total Depth: 19600
Spot Location of End Point: N2	N2	NW NE	True Vertical Depth: 9600
Feet From: NORTH	1/4 Section Line: 165		End Point Location from
Feet From: EAST	1/4 Section Line: 1980		Lease, Unit, or Property Line: 165

NOTES:

Category	Description
DEEP SURFACE CASING	10/1/2018 - G57 - 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	10/1/2018 - G57 - 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
INTERMEDIATE CASING	10/1/2018 - G57 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES
LOCATION EXCEPTION - 700473	3/10/2020 - G56 - (F.O.) 24 & 13-19N-14W X686480 MSNLC SHL 200' FNL, 2030' FEL (25-19N-14W) (24-19N-14W) FIRST PERF 170' FSL, 2073' FEL LAST PERF 0' FNL, 2040' FEL (13-19N-14W) FIRST PERF 12' FSL, 2040' FEL LAST PERF 605' FNL, 1993' FEL NO OP NAMED 8/8/2019
MEMO	10/1/2018 - G57 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 686480	3/10/2020 - G56 - (1280)(HOR) 13 & 24-19N-14W VAC 121423 MSSSD COMPL INT NCT 660' FB

This permit does not address the right of entry or settlement of surface damages.

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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 Office of the Conservation Division as to when Surface Casing will be run.

043 23659 ADAMS 24/13-19-14 1H