

STATE OF LOUISIANA OFFICE OF CONSERVATION PERMIT TO DRILL FOR MINERALS

FEE: \$1264

HORIZONTAL

SHREVEPORT DISTRICT

SERIAL NO. 252182

Approval Date 01/10/2020 Expiration Date 07/07/2020

API 17069204760000

35 PARISH NATCHITOCHES

7870 FIELD SAN MIGUEL CREEK
60005 OPERATOR INDIGO MINERALS LI

DR INDIGO MINERALS LLC 600 TRAVIS SUITE 5500

SUITE 5500 HOUSTON, TX 77002-0000

WELL NAME: HALL 22&27-10-10 H

LOCATION OF WELL: SEC 015 T 10N R 10W M W

705' FSL & 390' FEL OF SEC 15-T10N-R10W. PBHL: 500' FNL & 528' FEL OF SEC 27-T10N-R10W.

ZONE OR RESERVOIR OF PROPOSED COMPLETION: NON UNITIZED HAYNESVILLE

Measured Depth 2300

True Vertical Depth 15000

NO. 001

APPLICABLE OFFICE OF CONSERVATION ORDERS: 29B-1,29E,29E-U,1165

RICHARD P. IEYOUB

CARRIE WIEBELT

COMMISSIONER OF CONSERVATION

ISSUING AUTHORITY

WELL FILE



JOHN BEL ÉDWARDS GOVERNOR

State of Louisiana.

DEPARTMENT OF NATURAL RESOURCES OFFICE OF CONSERVATION

THOMAS F. HARRIS SECRETARY

RICHARD P. IEYOUB
COMMISSIONER OF CONSERVATION

JANUARY 14,2020

INDIGO MINERALS LLC 600 TRAVIS SUITE 5500 HOUSTON, TX 77002-0000

*** PERMIT TO DRILL ***

RE: NATCHITOCHES PARISH SAN MIGUEL*CREEK FIELD HALL 22&27-10-10 H NO 001 SER NO 252182

GENTLEMEN:

WE ARE ISSUING THE ATTACHED PERMIT TO DRILL FOR THE ABOVE REFERENCED WELL WITH THE UNDERSTANDING THAT YOU WILL COMPLY WITH THE FOLLOWING CONDITIONS:

FURNISH THE APPROPRIATE DISTRICT MANAGER WITH A DIRECTIONAL SURVEY AS PROOF THAT THE WELL HAS BEEN DRILLED IN COMPLIANCE WITH THE PROVISIONS OF LAC 43:XIX 135.C (STATEWIDE ORDER NO. 29-B)

COMPLETION OF SAID WELL CANNOT BE IN ANY POOL IN WHICH THE LOCATION DOES NOT CONFORM WITH THE PROVISIONS OF STATEWIDE ORDER NO. 29-E.

IN THE EVENT THE WELL IS A PRODUCER, NO ALLOWABLE WILL BE ASSIGNED UNTIL A SUITABLE UNIT HAS BEEN FORMED.

ALSO, THERE CAN BE NO COMPLETION IN ANY RESERVOIR WHICH IS NOT IN COMPLIANCE WITH THE PROVISIONS OF THE LOUISIANA OFFICE OF CONSERVATION ORDERS OF THE 1165 SERIES, FOR THE ABOVE-CAPTIONED FIELD AND PARISH

NO ALLOWABLE WILL BE ASSIGNED SAID WELL UNLESS IN COMPLIANCE WITH THE ABOVE PROVISIONS.

PLEASE BE ADVISED THAT A PERMIT TO DRILL ISSUED BY THE OFFICE OF CONSERVATION DOES NOT RELIEVE THE OPERATOR OF THE OBLIGATION TO COMPLY WITH FEDERAL, LOCAL, OR OTHER STATE PERMITTING OR REGULATORY REQUIREMENTS.

YOURS TRULY,

RICHARD P. IEYOUB

COMMISSIONER OF CONSERVATION

Carrie wiebelt

CARRIE WIEBELT

CW::PC CC: JACKIE DEVALL SHREVEPORT, : DISTRICT MANAGER 29B-1,29E,29E-U, SPECIAL ORDER



JAN 07 REC'D 2000

STATE OF LOUISIANA OFFICE OF CONSERVATION FORM MD-10-R-1 APPLICATION FOR PERMIT TO DRILL FOR MINERALS OFFICE OF CONSERVATION SHREVEPORT, LA.

TYPE ONLY - FILE IN DUPLICATE

		(F	rint on Buff color paper)			
Bond Kee	word, 2	9B-1, CC51, 29.	E,29-EU	SERIAL NUMBER:	252/8	USE ONLY
	1165 se	ries, notitonto	4			
Company Data				APPLICATION:	January 6, 20	20
OPERATOR:	Indigo Mine	rals LLC			CODE NO.	60005
ADDRESS:	4758 Hwy 17	'1				
	Gloster, LA	71030				
Well Data	,					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
1	Natchitoche	e.			CODE NO.	35
1		San Migue	l CreeKL	ز	CODE NO.	7870]
WELL NAME:		- /		<u></u> -	Well No.:	001
LOCATION:	Section: SHL: 705' FS	015 Township: SL & 390' FEL of Sec 0 FNL & 528' FEL of Sec		10W		
and TVI (and TVI Appli	OIL ed Total Depth: D, if applicable) ication Fee: Month X	15,000 feet - 7	OTHER Measured Depth True Vertical Depth No.: email invoice #/20723	Straig	Well Reperm X Horizon Unit Directio	tal nal
APPLICA	BLE CONSER	COMPLETION: EVATION ORDERS: REDRILL OR REPERM	non-unitized Hayne 29B, 29E, 1243 Sei IT (if applicable):	sville Dock ries 29 - B - A	et 20-3 & 1 //655	20-4 Eries
CONTACT DATA				S		
SEND F	PERMIT TO:	Adonya Dryden			!!!!! 	
(if diffe	ADDRESS: erent than above)	same				
FOR INFORMATION	ADDITIONAL	A.I DI.		JAN -	9 2020	
INFORMATIO	,	Adonya Dryden		OFFICE OF C	ONSERVATION	
	Phone No.:	318-770-0235		DEBULL OFFICE OF C	SHI HIN	
		Adonya Dryden, Sr Reg	ulatory Analyst			_
OFFICE HOT OF		PPLICANT'S REPRESENTATIVE SIG	NATURE		OFFICE	E LIGE ONLY
OFFICE USE ONL FINANCIAL SE		RED PRIOR TO PERMITTING	G: Yes	No No	OFFICI	E USE ONLY
DISTRICT A	PPROVAL:			1 15 BUILL DA	TE: _/- 7-2	?a
	- _ SSUED BY:	Rung W	Medre	DA DA	TE: 01/10/3	3020
	API No.: _	17.0	69.204	/ 76 E	xp.: <u>07/07</u>	/2020
1					FORM MD-10-R-1	(Rev 08/2009)

STATE OF LOUISIANA **OFFICE OF CONSERVATION**

January 8, 2020

	TO:	BATON ROUGE OFFICE	
	FROM:	SHREVEPORT DISTRICT OFFICE	
	ATTN:	PERMIT SECTION	
	Enclosed ple	ease find an application from <u>Indigo Minerals LI</u>	LC (60005)
îan	for permit to Miguel Cr King Hi	drill their <u>Hall 22&27-10-10 H #001</u> ell Field, <u>Natchitoches</u>	Parish.
	Also enclose	d please find:	
	Check No	Online Inv.# 1207236 in the amount of \$	52,528.00(2 wells)
	X Certif	fied well location plat	
	X Affida	avit of compliance	11/5 504)40-
	Applicable O	of compliance Office of Conservation Order Nos. 29-B-1, 29-E, 29	9-E-Unit & 1243-Series
	Remarks & I	Recommendations:	
	* No Non-U	Jnitized HA wells permitted/producing within 200	00'.
	* See letter	dated 1/06/20 regarding a hearing held on 1/0	7/20 regarding this well.
			RECEIVED
	Comply wit	//65 h 29-B-1, 29-E, 29-E-Unit & 1243-Series	JAN - 9 2020 OFFICE OF CONSERVATION PERMIT SECTION

Docket 20-3 and 20-4

Order 1165-K-9 also

District Engineer



AFFIDAVIT OF COMPLIANCE STATEWIDE ORDER 29-B RULE LAC 43:XIX.103

JAN 07 REC'D 2020

OFFICE OF CONSERVATION SHREVEPORT, LA.

WELL NAME AND NUMBER HALL 22&27-10-10 H #001

STATE OFLOUISIANA	
PARISH/COUNTY OFDESOTO	
BEFORE ME , the undersigned Notary Public, personal ("affiant") who on his oath did say that he is the <u>Production An INDIGO MINERALS LLC</u> (COMPANY), authorized to do but instrument was signed on behalf of said company, and affiant ac free act and deed of said company.	alyst (REPRESENTATIVE) of the usiness in the state of Louisiana, and that said knowledged that he executed the same as the
BY CHECKING THIS BOX, AFFL	ANT CERTIFIES:
☐ The above referenced well will be drilled from an existing pad on the property in question, there will be no expansion to the existing drilling pad or access road(s) and therefore no notice to the surface owner is required pursuant to R.S. 30:28(I)(1)(f).	Surface owner was provided pre-entry notice on the day of, 20 No construction operations of a drilling location for the aforementioned well shall commence less than thirty (30) days after such date.
A contractual relationship presently exists between the operator and the surface owner(s) of the subject well. As such, no pre-entry notice is required pursuant to 30:28(I)(1)(c).	No pre-entry notice required pursuant to R.S. 30:28(I)(1)(d). Please attach documentation of Commissioner's waiver.
The information in this affidavit meets the requirements of State and Louisiana R.S. 30:28(I), demonstrating compliance with succertify that the foregoing is true and correct to the best of my known to the state of the best of the bes	h order. By signing this document, I
Thus done and sworn this 6th day of January , 2020 Signature: Print Name: KODI DEROUEN Title: PRODUCTION ANALYST	JAN - 9 2020 OFFICE OF CONSERVATION PERMIT SECTION

Notary Public

ADONYA DRYDEN
Notary Public

State of Louisiana
Caddo Parish
Notary ID # 155064
My Commission is for Life



January 6, 2020

RECEIVED

JAN 07 REC'D 2020

OFFICE OF CONSERVATION SHREVEPORT, LA.

Re:

1

Indigo Minerals LLC – 60005

(Hall 22&27-10-10 H #1

7870 OCC San Miguel Creek

Hall 14&23-10-10 H #1 King Hill Field - 4894

Natchitoches Parish, Louisiana - 35

Sec 015-T10N-R10W

Dear Jackie:

Jackie DeVall

Office of Conservation

1525 Fairfield Ave., Suite 668

Shreveport, LA 71101-4388

State Office Building

Please find attached the following forms for each of the above-referenced wells:

Form MD 10-R-1 – Application for Permit to Drill (2 Originals) Certified Location Plat (2 Originals) Directional Plan (Original & copy) Affidavit of Compliance – Rule LAC 43:XIX.103 (Original & copy) *Please email invoice for payment

Application has been made to drill these two wells: one (1) cross unit horizontal well to serve as an alternate unit well for HA RA SUY and as the unit well for HA RA SUZ, and one (1) cross unit horizontal well to serve as an alternate unit well for HA RA SUY in the King Hill Field, Natchitoches Parish, Louisiana (Docket No. 20-5 and 20-6). Hearing is scheduled for January 7, 2020.

Please email invoice for payment. Please call or email once the application is ready and I will pick it up to send to Baton Rouge via FedEx. If you have any questions please contact me by phone at (832) 301-0982, office, (318) 751-3917, cell, or via email at a.dryden@ndgo.com.

Sincerely,

Adonya Dryden

Sr Regulatory Analyst

JAN **- 9** 2020

OFFICE OF CONSERVATION PERMIT SECTION

STATE OF LOUISIANA

Office of Conservation, Department of Natural Resources 1525 Fairfield Avenue ~ Room 668 ~ Shreveport, Louisiana 71101

Telephone: 318-676-7585 ~ Fax: 318-676-7486

Operator Name
Indigo Minerals LLC

Well Name & No. Hall 22&27-10-10 H #1

Field King Hill San M. guel Cree Sec/Twp/Rng 15/10N/10W

Date 01/08/20

IMPORTANT INFORMATION ~ READ CAREFULLY

The permit-to-drill application for the proposed well recently submitted to this office has been forwarded to the Baton Rouge office for final review.

CONSERVATION ENFORCEMENT SPECIALIST (CES) ASSIGNED TO THIS WELL IS:

Frank Moore, Hm 318-256-5228, Cell 318-452-4335

Please contact this Agent at least 12 hours prior to spud. If no answer, please leave a message including operator name, well name & number, and contact person & phone number(s). **Note**: No well shall spud-in prior to issuance of a permit Serial Number.

Additionally, the CES must be provided a <u>weekly activity report</u> on the well (usually on Monday or at a time prescribed by CES) and specifically contacted prior to surface casing pressure test, surface casing re-test, intermediate casing pressure test, reaching total depth, production casing pressure test, production well test, closing of reserve pit, and plugging & abandonment. <u>Note</u>: In the event you use a well site consultant or a drilling contractor, please ensure that they are furnished <u>a copy of these instructions</u>.

STATEWIDE ORDER NO. 29-B REQUIREMENTS

A well sign shall be posted at the drilling rig and subsequently on the well showing: Operator name, Well Name and Number, Serial Number, Parish, and Section-Township-Range. Field name may also be included on the well sign. A legible well sign must be maintained until the well is plugged & abandoned. If a completion is made, a sign shall also be maintained at the Tank Battery.

Surface casing shall be set to a minimum depth of 1800' provided no danger of pollution to freshwater sources (USDW) exists. If surface casing is to be set deeper than 2,400', a written request shall be made to the District Manager prior to spud of the well addressing all special drilling and primary cementing considerations. Note: If downhole disposal of reserve pit fluids is planned, additional surface casing may be required. Refer to fourth paragraph of enclosed Freshwater Protection Letter (enclosed only if applicable).

LAC 43:XIX.111 has specific requirements regarding **Diverter Systems and Blowout Preventers**. Please note that subject regulation will be strictly enforced resulting in the issuance of a <u>Civil Penalty</u> for any violation. Additionally, the most recent BOP pressure test date must be provided to the CES with your weekly activity report.

Sufficient primary cement shall be used to fill the annular space behind the intermediate and production casing strings to such a point as local conditions require to protect the producing formation and all other oil & gas formations occurring above. Note: A tail slurry other than neat Class H (or Class A/Type I as applicable) shall first be approved by the District Manager. Any cement slurry with a density less than 12.4 ppg or a yield of more than 2.0 cu ft/sk shall also first be approved by the District Manager.

Prior authorization is required for Deepening, Sidetrack, Perforating, Plugback, Squeeze Cementing, Stimulation including Acidizing and Hydraulic Fracturing, Plug & Abandon, and other work noted in LAC 43:XIX.105.A. An approved Work Permit, Form DM-4R, must be obtained **prior** to commencement of **any such work**.

REQUIRED FORMS

Well History and Work Resume Report (Form WH-1): PRELIMINARY WH-1: Submit two (2) typewritten copies within 20 days after reaching total depth. FINAL WH-1: Submit two (2) typewritten copies within 20 days after completion date of well or at plug & abandonment if dry hole.

Report of Proof of Apparent Deviation (Form AD): Submit two (2) typewritten copies within 20 days after reaching total depth. Note: If a Directional Survey is required by rule, submit two (2) certified copies within 20 days after reaching total depth.

Electric Logs: Effective January 1, 2014, ALL electric logs, when run, shall be submitted in electronic format to the Office of Conservation in Baton Rouge (Please contact the Geological Division in Baton Rouge for filing instructions).

<u>Completion Report (Form COMP)</u>: Submit two (2) typewritten copies within **20 days after completion date** of well, i.e. date well is turned to tank (oil) or turned to sales (gas).

Oilfield Waste Disposition (Form ENG-16): Submit two (2) typewritten copies immediately after the reserve pit is closed. **Note:** The reserve pit shall be closed no later than six (6) months after reaching total depth.

An <u>original signature</u> is required on at least one (1) copy of the aforementioned forms.

FAILURE TO COMPLY MAY RESULT IN THE ASSESSMENT OF A CIVIL PENALTY PER LOUISIANA R.S. 30:18.

Should you have any questions or desire clarification on any point, please call 318/676-7585.

Jackie DeVall, P.E. Shreveport District Manager Marie Maranto Petroleum Analyst-Supervisor JAN - 9 2323
OFFICE OF CONSERVATION
PERMIT SECTION

(Rev. 12/30/13)

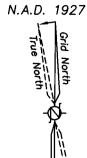
- All Bearings, Distances and Coordinates shown hereon are based on the Louisiana State Plane Coordinate System, N.A.D. 27 Datum (North Zone)
- Ownership information provided by others.
- Lease lines shown are drawn from record information provided by others.
 No residential or commercial structures exist within a 500' radius of the Surface Location.
 This well is not subject to the provisions of Order U-HS.

STANGER Surveying tyler like 1595 E. Grande Blvd. Tyler, Texas 75703 (903) 534-0174

RECEIVED

JAN 07 REC'D 2020

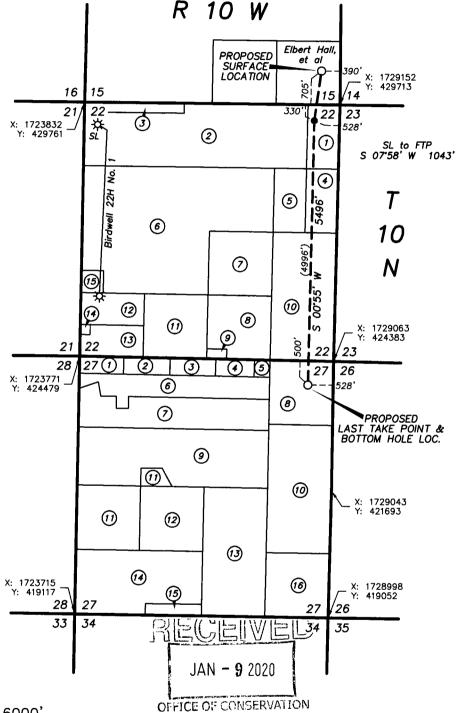
OFFICE OF CONSERVATION SHREVEPORT, LA.



Note: This plat is not a property boundary survey and as such does not comply with the "Minimum Standards for Property Boundary Surveys" as adopted by the Louisiana Professional Engineering and Land Surveying Board; it is however in compliance with statewide order 29-B and 29-E. (Title 43 of the LAC) in regards to location plat requirements.

Tract	Participant
1	Sherman S. Shaw, et al
2	Wilmer M. Birdwell, et ux
3	Doris V. Bowers
4	Critty Hall Wells
5	Ulysses Hall, Jr.
6	Our Lady of Guadalupe, Inv., LLC
7	Hurt Forest Products, Inc
8	Sam H. Steadman, II
9	Little Flowers Enterprises, LLC
10	William D. Durr, et ux
11	GEP Haynesville, LLC, et al
12	Donald Smith, et ux
13	Little Flowers Enterprises, LLC
14	Connie M. Lirette
15	Stephen L. Lirette, et ux

Tract	Participant
1	Heirs of Donald Roy Durr
2	Vicki Durr Gray
3	Lynda Durr Roberts
4	Heirs of Ruben Leneal Durr
5	William & Sonja Durr Living Trust
6	Bruce Johnson, et al
7	Michael Bruce
8	Evans Family, LLC
9	Amber W. Carothers, et al
10	Sue K. Elliott, et al
11	Stephen A. Champagne, et al
12	Michael Bruce
13	Max Williams
14	Steadman's Rock Creek Farm, LLC
15	Samuel H. Steadman, II
16	Fia Timber Growth & Value, LLC



2000' 0' 4000' 6000'

PROPOSED FIRST TAKE POINT

STATE PLANE COORDINATES - LA NORTH ZONE - 1701:

NAD 27 X: 1728619 Y: 429388

NAD 83 X: 3009405 Y: 490094

GEOGRAPHIC-NAD 27: LAT: 31'50'38.83" LON: -93'22'26.28"

GEOGRAPHIC-NAD 83: LAT: 31'50'39.42" LON: -93'22'26.90"

CALLS: 330' FNL, 528' FEL OF SECTION 22, T 10 N - R 10 W

PROPOSED LAST TAKE POINT & BOTTOM HOLE LOC.

STATE PLANE COORDINATES - LA NORTH ZONE - 1701:

NAD 27 X: 1728532 Y: 423893

NAD 83 X: 3009317 Y: 484599

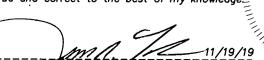
GEOGRAPHIC-NAD 27: LAT: 31'49'44.44" LON: -93'22'26.78"

GEOGRAPHIC-NAD 83: LAT: 31'49'45.03" LON: -93'22'27.40"

CALLS: 500' FNL, 528' FEL OF SECTION 27, T 10 N - R 10 W

WELL LOCATION PLAT INDIGO MINERALS LLC HALL 22&27-10-10H NO. 1 NATCHITOCHES PARISH, LOUISIANA SCALE: 1" = 2000'

I, John R. Nowlin, Registered Professional Land Surveyor, do hereby certify that the above plat is true and correct to the best of my knowledge.



m1. Registered Professional Land Surveyor No. 4801 State of Louisiana

JOHN R. NOWLIN LICENSE NO. 4801

T190495/HALL 22&27-10-10 H 1