

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

API NUMBER: 117 23692 A

Approval Date: 01/04/2018

Expiration Date: 07/04/2018

Straight Hole

Oil & Gas

PERMIT TO DEEPEN

WELL LOCATION: Sec: 33 Twp: 20N Rge: 5E

County: PAWNEE

SPOT LOCATION:

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 660 740

Lease Name: JACK SMITHTON

Well No: 1-33

Well will be 660 feet from nearest unit or lease boundary.

Operator Name: TERRITORY RESOURCES LLC

Telephone: 4055331300; 4055331

OTC/OCC Number: 22388 0

TERRITORY RESOURCES LLC
1511 S SANGRE RD
STILLWATER, OK 74074-1869

LAGRAND EDWARDS
58650 SOUTH 34900 ROAD
MARAMEC OK 74045

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

	Name	Depth	Name	Depth
1	CLEVELAND	2770	6	
2	SKINNER	3230	7	
3	MISSISSIPPIAN	3547	8	
4	SIMPSON	3664	9	
5			10	

Spacing Orders: 637600

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3750

Ground Elevation: 952

Surface Casing: 90

Depth to base of Treatable Water-Bearing FM: 40

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 2500 Average: 1800

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: VANOSS

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

PERMIT NO: 17-33151

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

Notes:

This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX 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.

117 23692 JACK SMITHTON 1-33

Category	Description
HYDRAULIC FRACTURING	<p>9/19/2017 - 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: OCCEWEB.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>
SPACING	12/27/2017 - G58 - FORMATIONS UNSPACED; 160 ACRE LEASE (SW4)
SPACING - 637600	9/19/2017 - G58 - (160) SW4 33-20N-5E EST CLVD, OTHER