API NUMBER: 103 24748

Oil & Gas

Straight Hole

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

Approval Date:	08/24/2018
Expiration Date:	02/24/2019

PERMIT TO DRILL

Chlorides Max: 4000 Average: 2000 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: 2 Liner not required for Category: 2	WELL LOCATION: Sec: 36 Twp: 24N Rge: 2'	W County: NOB	LE			
Lease Name: GRACE   Well No: 22   Well will be 215   feet from nearest unit or lease both part of the properties of th	SPOT LOCATION: SE SE NE NE	FEET FROM QUARTER: FROM	SOUTH FROM WEST			
DONRAY PETROLEUM LLC   2525 NW EXPRESSWAY STE 640   OKLAHOMA CITY, OK 73112-7230   OKLAHOMA CITY, OK 73112-7230   OKLAHOMA CITY, OK 73112-7230   OKLAHOMA CITY OK 73102   OKLAHOMA CITY, OK 73112-7230   OKLAHOMA CITY OK 73102   OKLAHOMA CITY OKLAHOMA CITY OK 73102   OKLAHOMA CITY O		SECTION LINES:	1420 2425			
DONRAY PETROLEUM LLC   2525 NW EXPRESSWAY STE 640   OKLAHOMA CITY, OK 73112-7230   COMMISSIONERS OF THE LAND OFFICE   204 NORTH ROBINSON #900   OKLAHOMA CITY OK 73102	Lease Name: GRACE	Well No:	22	Well will be	215 feet from neares	t unit or lease boundary.
COMMISSIONERS OF THE LAND OFFICE   204 NORTH ROBINSON #900   OKLAHOMA CITY, OK 73112-7230   OKLAHOMA CITY, OK 73102			Telephone: 405418434	18; 4054184	OTC/OCC Number:	21690 0
Formation(s) (Permit Valid for Listed Formations Only):    Name   Depth   Name   Depth						
	OKLAHOMA CITY, OK 73112-7230		OKLAHOMA CITY OI			3102
Spacing Orders: No Spacing	Name  1 HOOVER 2 3	Depth	6 7 8	Name	Depth	
Pending CD Numbers: Special Orders:  Total Depth: 2300 Ground Elevation: 967 Surface Casing: 220 Depth to base of Treatable Water-Bearing FM: 170  Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No  PIT 1 INFORMATION Approved Method for disposal of Drilling Fluids:  Type of Pit System: ON SITE  Type of Mud System: WATER BASED D. One time land application (REQUIRES PERMIT) PERMIT NO:  Chlorides Max: 4000 Average: 2000  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: 2  Liner not required for Category: 2	5		10			
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Liner not required for Category: 2	Is depth to top of ground water greater than 10ft below b Within 1 mile of municipal water well? N Wellhead Protection Area? N	ase of pit? Y				
Dit Location is DED ACUIEED	Liner not required for Category: 2  Pit Location is BED AQUIFER					

Notes:

Pit Location Formation:

WELLINGTON

Category Description

**SPACING** 

HYDRAULIC FRACTURING 8/22/2018 - G71 - 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

8/23/2018 - G57 - FORMATION UNSPACED; LEASE OUTLINE 80-ACRES E2 NE4 36-24N-2W PER

ITD

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.

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