

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

API NUMBER: 037 29420

Approval Date: 12/14/2018

Expiration Date: 06/14/2020

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 19N Rge: 7E

County: CREEK

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 400 330

Lease Name: ESTER RICHARDS

Well No: 7

Well will be 330 feet from nearest unit or lease boundary.

Operator Name: WELCH ENERGY LLC

Telephone: 9183523805

OTC/OCC Number: 20096 0

WELCH ENERGY LLC  
PO BOX 346  
DRUMRIGHT, OK 74030-0346

WELCH ENERGY  
P.O. BOX 346  
DRUMRIGHT OK 74030

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

	Name	Depth		Name	Depth
1	LAYTON	1518	6	RED FORK	2505
2	CLEVELAND	1832	7	BARTLESVILLE	2600
3	PRUE	2280	8	DUTCHER	2679
4	SKINNER	2380	9	SIMPSON	2780
5	PINK LIME	2458	10	ARBUCKLE	2850

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3200

Ground Elevation: 830

**Surface Casing: 900**

Depth to base of Treatable Water-Bearing FM: 730

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3000

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

Within 1 mile of municipal water well? Y

Wellhead Protection Area? Y

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: 1A

Liner required for Category: 1A

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

F. Haul to Commercial soil farming facility: Sec. 13 Twn. 19N Rng. 5E Cnty. 119 Order No: 561542

H. MIN. 20-MIL PIT LINER REQUIRED

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.

Category	Description
HYDRAULIC FRACTURING	<p>11/20/2018 - 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: <a href="http://OCCWEB.COM/OG/OGFORMS.HTML">OCCWEB.COM/OG/OGFORMS.HTML</a>; 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: <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
PUBLIC WATER SUPPLY WELL	11/20/2018 - G71 - OILTON, 1 PWS/WPA, SE4 32-19N-7E
SPACING	12/13/2018 - G75 - FORMATIONS UNSPACED; 40-ACRE LEASE (SW4 SW4)
SURFACE LOCATION	12/14/2018 - G75 - 400' FSL, 330' FWL SW4 32-19N-7E PER OPERATOR