

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

API NUMBER: 119 23731 A

Approval Date: 07/05/2018

Expiration Date: 01/05/2019

Straight Hole

Oil & Gas

PERMIT TO RECOMPLETE

WELL LOCATION: Sec: 17 Twp: 18N Rge: 4E

County: PAYNE

SPOT LOCATION: C E2 E2 NE

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1320 2310

Lease Name: SCHATZ

Well No: 1

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

Operator
Name: CHER OIL COMPANY LTD

Telephone: 4054541575

OTC/OCC Number: 7657 0

CHER OIL COMPANY LTD
7317 S RIPLEY RD
RIPLEY, OK 74062-6227

CHER OIL COMPANY LTD
7317 SOUTH RIPLEY ROAD
RIPLEY OK 74062

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

	Name	Depth	Name	Depth
1	BARTLESVILLE	3790	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 488968

Location Exception Orders: 512388

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3936

Ground Elevation: 856

Surface Casing: 160 IP

Depth to base of Treatable Water-Bearing FM: 110

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: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

Type of Mud System: WATER BASED

Chlorides Max: 2500 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: 1A

Liner required for Category: 1A

Pit Location is ALLUVIAL

Pit Location Formation: ALUVIUM

H. 20MIL PLASTIC 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.

119 23731 SCHATZ 1

Category	Description
HYDRAULIC FRACTURING	<p>6/29/2018 - G58 - 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>
LOCATION EXCEPTION - 512388	<p>7/5/2018 - G58 - E2 NE4 17-18N-4E X488968 BRVL, OTHERS 1320' FNL, 330' FEL CHER OIL COMPANY, LTD. 10/4/2018 (WELL SPUD 8/20/2005)</p>
SPACING - 488968	<p>6/29/2018 - G58 - (80) E2 17-18N-4E SU NE/SW VAC 157953 BRVL, OTHERS EST OTHERS EXT 486067 BRVL, OTHERS</p>