

API NUMBER: 051 25048

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

Approval Date: 07/20/2023
Expiration Date: 01/20/2025

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 35 Township: 8N Range: 6W County: GRADY

SPOT LOCATION: ☐ NE ☐ NW ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 310 1880

Lease Name: CAMPBELL FARMS 35_2-8N-6W Well No: 5WHX Well will be 310 feet from nearest unit or lease boundary.
Operator Name: PALOMA OPERATING CO INC Telephone: 7136548534 OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC
1100 LOUISIANA ST STE 5100
HOUSTON, TX 77002-5220

CAMPBELL FARMS, INC.
1539 COUNTY ROAD 1212
TUTTLE OK 73089

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

Name	Code	Depth
1 WOODFORD	319WDFD	12200

Spacing Orders: 567314
598787

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202301883
202301885
202301886
202301878

Working interest owners' notified: DNA

Special Orders: No Special

Total Depth: 26000

Ground Elevation: 1267

Surface Casing: 650

Depth to base of Treatable Water-Bearing FM: 480

Under Federal Jurisdiction: No
Fresh Water Supply Well Drilled: No
Surface Water used to Drill: No

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 23-39152

H. (Other)

SEE MEMO

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is: BED AQUIFER

Pit Location Formation: DUNCAN

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 200000

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: C

Liner not required for Category: C

Pit Location is: BED AQUIFER

Pit Location Formation: DUNCAN

This permit does not address the right of entry or settlement of surface damages. The duration of this permit is 18 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.

MULTI UNIT HOLE 1

Section: 2	Township: 7N	Range: 6W	Meridian: IM	Total Length: 10255
County: GRADY				Measured Total Depth: 26000
Spot Location of End Point: SE	SW	SE	SW	True Vertical Depth: 13000
Feet From: SOUTH	1/4 Section Line: 65			End Point Location from
Feet From: WEST	1/4 Section Line: 1950			Lease, Unit, or Property Line: 65

NOTES:

Category	Description
HYDRAULIC FRACTURING	<p>[7/18/2023 - GE7] - OCC 165:10-3-10 REQUIRES:</p> <p>1) NOTICE SHALL BE GIVEN AT LEAST 5 BUSINESS DAYS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS ON A HORIZONTAL WELL TO OPERATORS PRODUCING WELLS WITHIN 1 MILE OF THE COMPLETION INTERVAL OF THE SUBJECT WELL. THE NOTICE TO SUCH OPERATORS SHALL CONTAIN THE INFORMATION IN FORM 6000NOO. IF THE HYDRAULIC FRACTURING OPERATIONS SCHEDULE CHANGES AFTER NOTICE HAS BEEN PROVIDED, RESULTING IN A DELAY OF OPERATIONS OF MORE THAN 5 DAYS FROM THE INITIAL NOTICE, NEW NOTICE IS REQUIRED TO BE GIVEN;</p> <p>2) NOTICE WILL BE GIVEN TO THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS; AND,</p> <p>3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS IS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION OF HYDRAULIC FRACTURING OPERATIONS, FOUND AT FRACFOCUS.ORG</p>
MEMO	[7/18/2023 - GE7] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202301878	<p>[7/20/2023 - G56] - (I.O.) 2-7N-6W & 35-8N-6W EST MULTIUNIT HORIZONTAL WELL X567314 WDFD 2-7N-6W X598787 WDFD 35-8N-6W 50% 35-8N-6W 50% 2-7N-6W NO OP NAMED REC 7/17/2023 (THOMAS)</p>
PENDING CD - 202301883	<p>[7/20/2023 - G56] - (I.O.) 2-7N-6W & 35-8N-6W X567314 WDFD 2-7N-6W X598787 WDFD 35-8N-6W COMPL INT (35-8N-6W) NCT NCT 165' FNL, NCT 0' FSL, NCT 450' FWL COMPL INT (2-7N-6W) NCT 0' FNL, NCT 165' FSL, NCT 450' FWL NO OP NAMED REC 7/17/2023 (THOMAS)</p>
PENDING CD - 202301885	<p>[7/20/2023 - G56] - 2-7N-6W X567314 WDFD 3 WELLS NO OP NAMED REC 7/17/2023 (THOMAS)</p>
PENDING CD - 202301886	<p>[7/20/2023 - G56] - 35-8N-6W X598787 WDFD 3 WELLS NO OP NAMED REC 7/17/2023 (THOMAS)</p>
PUBLIC WATER SUPPLY	[7/18/2023 - GE7] - HILLCREST MHP - 2 WELLS SW 26-8N-6W
SPACING - 567314	<p>[7/20/2023 - G56] - (640) 2-7N-6W EXT OTHER EST WDFD, OTHERS</p>
SPACING - 598787	<p>[7/20/2023 - G56] - (640) 35-8N-6W EXT 580072 WDFD, OTHERS</p>
SURFACE CASING	[7/18/2023 - GE7] - NO DEEP SURFACE CASING DUE TO PUBLIC WATER SUPPLY WELL BOUNDARY.
WATERSHED STRUCTURE	[7/18/2023 - GE7] - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (405) 224-0523 PRIOR TO DRILLING

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051 25048 CAMPBELL FARMS 35_2-8N-6W 5WHX