

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

ARI NUMBER: 017 25092 B

Approval Date: 10/01/2020

Expiration Date: 04/01/2022

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 26 Township: 11N Range: 8W County: CANADIAN

SPOT LOCATION: SE SE SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 250 260

Lease Name: ELDER

Well No: 2H-2623X

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: CIMAREX ENERGY CO

Telephone: 9185851100

OTC/OCC Number: 21194 0

CIMAREX ENERGY CO
202 S CHEYENNE AVE STE 1000
TULSA, OK 74103-3001

DIXIE J ELDER REVOCABLE DECLARATION OF TRUST
1001 EMPRESS CIRCLE
YUKON OK 73099

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

| | Name | Code | Depth |
|---|---------------|---------|-------|
| 1 | MISSISSIPPIAN | 359MSSP | 10389 |
| 2 | WOODFORD | 319WDFD | 14510 |
| 3 | HUNTON | 269HNTN | 11650 |

Spacing Orders: 671019
660367
702105
712389

Location Exception Orders: 700131
712390

Increased Density Orders: 671878
707275
689343
697785
712387

Cancelled per operator request.
12/02/2020 SRC/OCC

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special Orders

Total Depth: 21837 Ground Elevation: 1282

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 370

Deep surface casing has been approved

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 20-37410

H. (Other)

CLOSED SYSTEM=STEEL PITS PER OPERATOR
REQUEST

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 100' 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: C

Liner not required for Category: C

Pit Location is: ALLUVIAL

Pit Location Formation: ALLUVIUM

MULTI UNIT HOLE 1

Section: 23 Township: 11N Range: 8W Meridian: 1M

Total Length: 9802

County: CANADIAN

Measured Total Depth: 21937

Spot Location of End Point: NE NE NE NE

True Vertical Depth: 10580

Feet From: NORTH 1/4 Section Line: 150

End Point Location from

Feet From: EAST 1/4 Section Line: 370

Lease, Unit, or Property Line: 150

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.

| NOTES: | |
|---|---|
| Category | Description |
| DEEP SURFACE CASING | 9/24/2020 - GC2 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING |
| HYDRAULIC FRACTURING | 9/24/2020 - GC2 - 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 |
| INCREASED DENSITY - 671878 (201704217) | [9/30/2020 - GC3] - 23-11N-8W X671019 WDFD 7 WELLS NO OP NAMED 1-5-2018 |
| INCREASED DENSITY - 689343 (201704217) | [9/30/2020 - GC3] - EXT OF TIME FOR ORDER 671878 UNTIL 12-28-2019 |
| INCREASED DENSITY - 697785 (201902440) | [10/1/2020 - GC3] - 26-11N-8W X660367 WDFD 6 WELLS NO OP NAMED 6-14-2019 |
| INCREASED DENSITY - 707275 (201704217) | [9/30/2020 - GC3] - EXT OF TIME FOR ORDER 689343/671878 UNTIL 12-28-2020 |
| INCREASED DENSITY - 712387 (201902440) | [10/1/2020 - GC3] - EXT OF TIME FOR ORDER 697785 UNTIL 6-14-2021 |
| LOCATION EXCEPTION - 700131 (201902444) | [9/30/2020 - GC3] - (I.O.) 23 & 26-11N-8W X660367 WDFD 26-11N-8W X671019 WDFD 23-11N-8W XOTHERS COMP. INT. (26-11N-8W) NCT 0' FNL, NCT 150' FSL, NCT 330' FEL COMP. INT. (23-11N-8W) NCT 0' FSL, NCT 150' FNL, NCT 330' FEL CIMAREX ENERGY CO. 8-1-2019 |
| LOCATION EXCEPTION - 712390 (201902444) | [9/30/2020 - GC3] - EXT OF TIME FOR ORDER 700131 UNTIL 8-1-2021 |
| SPACING - 660367 | 9/28/2020 - GC3 - (640)(HOR) 26-11N-8W EST WDFD COMPL. INT. NCT 165' FNL/FSL, NCT 330' FEL/FWL |
| SPACING - 671019 | 9/28/2020 - GC3 - (640)(HOR) 23 & 26-11N-8W EXT 662553 WDFD 23-11N-8W EXT OTHERS COMPL. INT. (WDFD) NLT 165' FNL/FSL, NLT 330' FEL/FWL (COEXIST EXISTING NON-HORIZONTAL SPACING UNITS; SUPERSEDE NON-DEVELOPED NONHORIZONTAL SPACING UNITS) |
| SPACING - 702105 (201902443) | [9/30/2020 - GC3] - (I.O.) 23 & 26-11N-8W EST MULTIUNIT HORIZONTAL WELL X660367 WDFD 26-11N-8W X671019 WDFD 23-11N-8W XOTHERS 50% 23-11N-8W 50% 26-11N-8W CIMAREX ENERGY CO 9-12-2019 |
| SPACING - 712389 (201902443) | [9/30/2020 - GC3] - EXT OF TIME FOR ORDER 702105 UNTIL 9-21-2021 |