

API NUMBER: 003 23408

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

Approval Date: 03/24/2022
Expiration Date: 09/24/2023

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 17 Township: 25N Range: 11W County: ALFALFA

SPOT LOCATION: ☐ SE ☐ SW ☐ SW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 225 545

Lease Name: MACDONALD Well No: 2-17H Well will be 225 feet from nearest unit or lease boundary.
Operator Name: AEXCO PETROLEUM INC Telephone: 3038631110 OTC/OCC Number: 17342 0

AEXCO PETROLEUM INC
1675 BROADWAY STE 1900
DENVER, CO 80202-4631

RICKEY LYNN BROWN
1101 EAST 10TH STREET
CHEROKEE OK 73728

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

Name	Code	Depth
1 MISS'AN LM	359MPLM	5900

Spacing Orders: 93336

Location Exception Orders: No Exceptions

Increased Density Orders: 723392

Pending CD Numbers: 202101823

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 11000 Ground Elevation: 1318

Surface Casing: 400

Depth to base of Treatable Water-Bearing FM: 300

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

Approved Method for disposal of Drilling Fluids:

E. Haul to Commercial pit facility	Sec. 10 Twn. 26N Rng. 15W Cnty. 151 Order No: 563714
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: 8000 Average: 5000

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: C

Liner not required for Category: C

Pit Location is: BED AQUIFER

Pit Location Formation: CEDAR HILL

HORIZONTAL HOLE 1

Section: 17 Township: 25N Range: 11W Meridian: IM Total Length: 4980
County: ALFALFA Measured Total Depth: 11000
Spot Location of End Point: N2 N2 N2 N2 True Vertical Depth: 6050
Feet From: NORTH 1/4 Section Line: 150 End Point Location from
Feet From: WEST 1/4 Section Line: 2640 Lease, Unit, or Property Line: 150

NOTES:

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.

Category	Description
HYDRAULIC FRACTURING	<p>[3/23/2022 - GC2] - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.COM/OG/OGFORMS.HTML; 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>
INCREASED DENSITY - 723392	<p>[3/23/2022 - G56] - 17-25N-11W X93336 MPLM 1 WELL NO OP NAMED 2/9/2022</p>
PENDING CD - 202101823	<p>[3/23/2022 - G56] - (I.O.) 17-25N-11W X93336 MPLM COMPL INT NCT 150' FSL, NCT 150' FNL, NCT 1320' FWL NO OP NAMED REC 2/2/2022 (NORRIS)</p>
SPACING - 93336	<p>[3/23/2022 - G56] - (640) 17-25N-11W EXT 51771/88782 MPLM, OTHER</p>
SURFACE CASING	<p>[3/23/2022 - GC2] - NO DEEP SURFACE CASING - LOST CIRCULATION IN 16-25N-11W</p>

