API NUMBER: 037 29508

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

| Approval Date:   | 02/01/2023 |  |
|------------------|------------|--|
| Expiration Date: | 08/01/2024 |  |

Straight Hole Oil & Gas

## **PERMIT TO DRILL**

| WELL LOCATION: Section: 23 Township                    | o: 16N Range: 8E C       | County: CREEK               |  |  |
|--|--------------------------|-----------------------------|--|--|
| SPOT LOCATION: S2 N2 NW NE                             | FEET FROM QUARTER: FROM  | NORTH FROM EAST             |  |  |
|  | SECTION LINES:           | 1980                        |  |  |
| Lease Name: DEERE                                      | Well No:                 | 5B                          | Well will be 635 feet from nearest unit or lease boundary. |  |
| Operator Name: LUKE OIL COMPANY                        | Telephone: 9             | 9187606026                  | OTC/OCC Number: 18170 0                                    |  |
| LUKE OIL COMPANY                                       |                          | TOMMY MCGUIRE               |  |  |
|  |                          | P.O. BOX 263                |  |  |
| BRISTOW, OK  | 74010-1257               | DEPEW                       | OK 74028   |  |
|  |                          |                             |  |  |
|  |                          |                             |  |  |
| Formation(s) (Permit Valid for Listed Fo               | ormations Only):         |                             |  |  |
| Name Cod   | le Depth                 |                             |  |  |
| 1 HOGSHOOTER 405                                       | HGSR 1125                |                             |  |  |
| Spacing Orders: No Spacing                             | Location Exception       | on Orders: No Exceptions    | Increased Density Orders: No Density                       |  |
| Pending CD Numbers: No Pending                         | Working inter            | est owners' notified: ***   | Special Orders: No Special                                 |  |
| Total Depth: 1250 Ground Elevation:                    | 853 Surface Ca           | asing: 0                    | Depth to base of Treatable Water-Bearing FM: 560           |  |
| Alternate Casing Program                               |                          |                             |  |  |
| Cement will be circulated from Total De                | epth to the Ground Surfa | ce on the Production Casing | String.  |  |
| Under Federal Jurisdiction: No                         |                          | Approved Method for disp    | posal of Drilling Fluids:                                  |  |
| Fresh Water Supply Well Drilled: No                    |                          | A. Evaporation/dewater and  | backfilling of reserve pit.                                |  |
| Surface Water used to Drill: Yes                       |                          |                             |  |  |
|  |                          | H. (Other)                  | CBL REQUIRED   |  |
| PIT 1 INFORMATION                                      |                          | Category of I               | Pit: 2   |  |
| Type of Pit System: ON SITE                            |                          | Liner not required for Ca   | tegory: 2  |  |
| Type of Mud System: WATER BASED                        |                          | Pit Location                | Pit Location is: BED AQUIFER                               |  |
| Chlorides Max: 5000 Average: 3000                      |                          | Pit Location Formation      | on: VAMOOSA  |  |
| Is depth to top of ground water greater than 10f       | t below base of pit? Y   |                             |  |  |
| Within 1 mile of municipal water well? N               |                          |                             |  |  |
| Wellhead Protection Area? N                            |                          |                             |  |  |
|  |                          |                             |  |  |
| Pit <u>is</u> located in a Hydrologically Sensitive A  | Area.                    |                             |  |  |
| Pit <u>is</u> located in a Hydrologically Sensitive is | Area.                    |                             |  |  |
| Pit <u>is</u> located in a Hydrologically Sensitive A  | Area.                    |                             |  |  |

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 | [1/30/2023 - GC2] - OCC 165:10-3-10 REQUIRES:  |
|                      | 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; |
|                      | 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,   |
|                      | 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   |
| SPACING              | [2/1/2023 - GC2] - HGSR UNSPACED, 165-ACRE LEASE NE4   |