

API NUMBER: 085 21344

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

Approval Date: 11/29/2022
Expiration Date: 05/29/2024

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 36 Township: 7S Range: 2W County: LOVE

SPOT LOCATION: ☐ NW ☐ SW ☐ SE ☐ NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 475 1420

Lease Name: NORTH JIMTOWN UNIT Well No: 10-2 Well will be 845 feet from nearest unit or lease boundary.
Operator Name: L E JONES OPERATING INC Telephone: 5802551191 OTC/OCC Number: 19169 0

L E JONES OPERATING INC
PO BOX 1185
DUNCAN, OK 73534-1185

TERYN LEE & HOLLY SUE MUENCH
P.O. BOX 484
MARRIETTA OK 73448

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

Name	Code	Depth
1 TAYLOR /DEESE/ S OKLA/	404TYLR	7350

Spacing Orders: 430347
648109

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 7600 Ground Elevation: 874

Surface Casing: 880

Depth to base of Treatable Water-Bearing FM: 830

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: 22-38740

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: WATER BASED
Chlorides Max: 3500 Average: 2500
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: 1B
Liner required for Category: 1B
Pit Location is: AP/TE DEPOSIT
Pit Location Formation: TERRACE

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>[11/29/2022 - G56] - 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>
SPACING - 430347	[11/29/2022 - G56] - (UNIT) W2 NW4, SE4 NW4, SW4, W2 SE4 36-7S-2W EST NORTH JIMTOWN UNIT FOR GILLETT SAND
SPACING - 648109	[11/29/2022 - G56] - (UNIT) W2 NW4, SE4 NW4, SW4, W2 SE4 36-7S-2W AMD 430347 TO CLARIFY GILLETT=TYLR FOR NORTH JIMTOWN UNIT