API NUMBER: 005 20482

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

Approval Date: 03/08/2023
Expiration Date: 09/08/2024

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 14 Township: 2N Range: 12E County: ATOKA

SPOT LOCATION: SE SE SE SE FEET FROM QUARTER: FROM **SOUTH** FROM **EAST**
SECTION LINES: **165** **300**

Lease Name: **CHARLES VANE** **Well No:** **2-24/25H** **Well will be** **300** **feet from nearest unit or lease boundary.**

Operator Name: **BLACKBEARD OPERATING LLC** Telephone: 4322420050 OTC/OCC Number: 24493 0

BLACKBEARD OPERATING LLC

FORT WORTH, TX 76107-6646

CLARK RHYNE; 1992 LIVING TRUST
8971 E. KELLY RD.
WARDVILLE OK 74756

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	12580
2	WOODFORD	319WDFD	12900
3	HUNTON	269HNTN	13100
4	SYLVAN	203SLVN	13150

Spacing Orders: 731584 732155

Location Exception Orders: 732160

Increased Density Orders: 732201 732202

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 22750 Ground Elevation: 644

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 190

Deep surface casing has been approved

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

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. (Other)	SEE MEMO

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.

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: AIR

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: 4
Liner not required for Category: 4
Pit Location is: ALLUVIAL
Pit Location Formation: ALLUVIUM

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

PIT 2 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: ALLUVIAL
Pit Location Formation: ALLUVIUM

PIT 3 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? 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: 25 Township: 2N Range: 12E Meridian: IM

County: ATOKA

Spot Location of End Point: SW NE SW SW

Feet From: **SOUTH** 1/4 Section Line: 695

Feet From: **WEST** 1/4 Section Line: 850

Total Length: 9650

Measured Total Depth: 22750

True Vertical Depth: 14000

End Point Location from Lease,Unit, or Property Line: 695

NOTES:

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Category	Description
DEEP SURFACE CASING	[2/27/2023 - GC2] - APPROVED; (1) NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING. (2) SUBSEQUENT WELLS ON SAME PAD WILL NOT BE ALLOWED DEEP SURFACE CASING IN THE EVENT OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING.
FIELD RULE	[2/27/2023 - GC2] - MIN. 700' PER ORDER 281288, 42348, 69185
HYDRAULIC FRACTURING	[2/27/2023 - 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
INCREASED DENSITY - 732201	[3/7/2023 - G56] - 24-2N-12E X731584 WDFD 2 WELLS BLACKBEARD OP, LLC 2/16/2023
INCREASED DENSITY - 732202	[3/7/2023 - G56] - 25-2N-12E X731584 WDFD 2 WELLS BLACKBEARD OP, LLC 2/16/2023
LOCATION EXCEPTION - 732160	[3/7/2023 - G56] - (I.O.) 24 & 25-2N-12E X731584 MSSP, WDFD, HNTN, SLVN COMPL INT (24-2N-12E) NCT 165' FNL, NCT 0' FSL, NCT 330' FWL COMPL INT (25-2N-12E) NCT 0' FNL, NCT 165' FSL, NCT 330' FWL BLACKBEARD OP, LLC 2/14/2023
MEMO	[2/27/2023 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - NORTH BOGGY CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT VIA FORM 1014X
SPACING - 731584	[3/7/2023 - G56] - (640)(HOR) 24 & 25-2N-12E VAC 568652 MSSP, WDFD, HNTN, SLVN EST MSSP, WDFD, HNTN, SLVN COMPL INT (MSSP, HNTN) NLT 660' FB COMPL INT (WDFD) NLT 165' FNL/FSL, NLT 330' FEL/FWL COMPL INT (SLVN) NLT 330' FB
SPACING - 732155	[3/7/2023 - G56] - (I.O.) 24 & 25-2N-12E EST MULTIUNIT HORIZONTAL WELL X731584 MSSP, WDFD, HNTN, SLVN (MSSP, HNTN, SLVN ARE ADJACENT CSS TO WDFD) 54% 24-2N-12E 46% 25-2N-12E NO OP NAMED 2/13/2023

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