

API NUMBER: 087 22448

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

Approval Date: 07/03/2023

Expiration Date: 01/03/2025

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 13 Township: 7N Range: 4W County: MCCLAIN

SPOT LOCATION: ☐ NW ☐ NE ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 224 2206

Lease Name: TECUMSEH Well No: 0704 12-1-36-1WXH Well will be 224 feet from nearest unit or lease boundary.

Operator Name: NATIVE EXPLORATION OPERATING LLC Telephone: 4059223616 OTC/OCC Number: 24070 0

NATIVE EXPLORATION OPERATING LLC

OKLAHOMA CITY, OK 73102-5804

BRAULIO MORALES GONSALEZ & MAYRA, H/W

25936 PORTLAND AVENUE

BLANCHARD OK 73010

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

Name	Code	Depth
1 WOODFORD	319WDFD	9850

Spacing Orders: 693704
735143
735039

Location Exception Orders: 735493

Increased Density Orders: No Density

Pending CD Numbers: 202301719

Working interest owners' notified: YES

Special Orders: No Special

Total Depth: 25031

Ground Elevation: 1197

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 280

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:

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

PERMIT NO: 23-39133

H. (Other)

SEE MEMO

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 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: DUNCAN

PIT 2 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: BED AQUIFER

Pit Location Formation: DUNCAN

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.

MULTI UNIT HOLE 1

Section: 36	Township: 8N	Range: 4W	Meridian: IM	Total Length: 15557
County: MCCLAIN				Measured Total Depth: 25031
Spot Location of End Point: NW NW NW NE				True Vertical Depth: 9850
Feet From: NORTH		1/4 Section Line: 100		End Point Location from
Feet From: EAST		1/4 Section Line: 2400		Lease, Unit, or Property Line: 100

NOTES:

Category	Description
DEEP SURFACE CASING	[6/30/2023 - GE7] - 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.
HYDRAULIC FRACTURING	<p>[6/30/2023 - GE7] - 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>
LOCATION EXCEPTION - 735493 (CD2023-001720)	<p>[7/3/2023 - GB7] - (I.O.) 1, 12-7N-4W & 36-8N-4W X735143 WDFD, OTHER X735039 WDFD, OTHER X693704 WDFD, OTHER X165:10-3-28(C)(2)(B) MSSP MAY BE CLOSER THAN 600' TO SPAULDING 13-7-4 1WH (API# 087-22172) & PRICE 1H-13 (API# 087-22064) COMPL INT NCT 0' FNL, 165' FSL, 600' FEL (12-7N-4W) COMPL INT NCT 0' FNL, 0' FSL, 600' FEL (1-7N-4W) COMPL INT NCT 165' FNL, 0' FSL, 600' FEL (36-8N-4W) NATIVE EXPLORATION OPERATING LLC 07/03/2023</p>
MEMO	[6/30/2023 - GE7] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING - CD2023-001719	<p>[7/3/2023 - GB7] - (I.O.) 1, 12-7N-4W & 36-8N-4W EST MULTIUNIT HORIZONTAL WELL X735143 WDFD, OTHER X735039 WDFD, OTHER X693704 WDFD, OTHER 33% 12-7N-4W 34% 1-7N-4W 33% 36-8N-4W NATIVE EXPLORATION OPERATING LLC REC 06/19/2023 (ORTEL)</p>
SPACING - 693704	<p>[7/3/2023 - GB7] - (640)(HOR) 36-8N-4W VAC OTHERS EXT 672572 WDFD, OTHER EST OTHER COMPL INT NCT 165 FNL/FSL, NCT 330' FEL/FWL (NO CONCURRENT OR COEXISTING SPACING)</p>
SPACING - 735039	<p>[7/3/2023 - GB7] - (640)(HOR) 1-7N-4W EXT 693704 WDFD, OTHER COMPL INT NCT 165 FNL/FSL, NCT 330' FEL/FWL (NO CONCURRENT OR COEXISTING SPACING)</p>
SPACING - 735143	<p>[7/3/2023 - GB7] - (640)(HOR) 12-7N-4W EXT 678750 WDFD, OTHER COMPL INT NCT 165 FNL/FSL, NCT 330' FEL/FWL (NO CONCURRENT OR COEXISTING SPACING)</p>