

API NUMBER: 129 24136

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

Approval Date: 03/31/2023

Expiration Date: 09/30/2024

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 07 Township: 16N Range: 25W County: ROGER MILLS

SPOT LOCATION: SW SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 311 2388

Lease Name: BILLY 7-16N-25W Well No: 1H Well will be 311 feet from nearest unit or lease boundary.

Operator Name: DOUGLAS FAIRBANKS HOLDINGS LLC Telephone: 4054798134 OTC/OCC Number: 24820 0

DOUGLAS FAIRBANKS HOLDINGS LLC
14903 WILDWOOD TRACE
MAGNOLIA, TX 77354MALES FARMS, INC.
C/O JAMES L. MALES
704 CAPRI CT
EDMOND OK 73034

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

Name	Code	Depth
1 DOUGLAS	406DGLS	7605

Spacing Orders: 108524

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202300734
202300735
202301194

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 17600

Ground Elevation: 2476

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 710

Deep surface casing has been approved

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: 23-38932

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: OGALLALA

MULTI UNIT HOLE 1

Section: 6 Township: 16N Range: 25W Meridian: 1M

Total Length: 10675

County: ROGER MILLS

Measured Total Depth: 17600

Spot Location of End Point: N2 N2 NE NE

True Vertical Depth: 7800

Feet From: NORTH 1/4 Section Line: 230

Feet From: EAST 1/4 Section Line: 660

End Point Location from
Lease, Unit, or Property Line: 230**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
DEEP SURFACE CASING	[3/24/2023 - 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.
HYDRAULIC FRACTURING	<p>[3/24/2023 - 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 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>
PENDING CD - 202300734	<p>[3/30/2023 - G56] - (I.O.) 6 & 7-16N-25W EST MULTIUNIT HORIZONTAL WELL X108524/572485 DGLS 50% 6-16N-25W 50% 7-16N-25W NO OP NAMED REC 3/28/2023 (MILLER)</p>
PENDING CD - 202300735	<p>[3/30/2023 - G56] - (I.O.) 6 & 7-16N-25W X108524/572485 DGLS COMPL INT (6-16N-25W) NCT 0' FSL, NCT 330' FNL, NCT 660' FEL COMPL INT (7-16N-25W) NCT 330' FSL, NCT 0' FNL, NCT 660' FEL NO OP NAMED REC 3/28/2023 (MILLER)</p>
PENDING CD - 202301194	<p>[3/31/2023 - G56] - (640) 7-16N-25W VAC 57367 TNKW CONFIRM 108524 DGLS HEARING 4/25/2023</p>
SPACING - 108524	<p>[3/30/2023 - G56] - (640) 6 & 7-16N-25W EST DGLS</p>
SPACING - 572485	<p>[3/30/2023 - G56] - (640) 6-16N-25W VAC 57367 TNKW CONFIRM 108524 DGLS</p>