API NUMBER:	087	22370

Oil & Gas

Multi Unit

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

Approval Date: 06/16/2022 Expiration Date: 12/16/2023

## PERMIT TO DRILL

SPOT LOCATION: NW SE SE SW FEET F	Range: 2W County: MO	CLAIN			
	ROM QUARTER: FROM SOUTH	ROM WEST	1		
	SECTION LINES: 408	2138			
Lease Name: MCELDERRY MU37 22-27	Well No: 3HX	Well	will be 408 feet from nearest unit or lease boundary.		
Operator Name: LRR IV OPERATING INC	Telephone: 713292953	5	OTC/OCC Number: 24554 0		
LRR IV OPERATING INC		MCELDERRY RENTAL	S, LLC		
1111 BAGBY STREET STE 4600		P.O. BOX 428			
HOUSTON, TX 77002	2	PURCELL	OK 73080		
Formation(s) (Permit Valid for Listed Formations	s Only):				
Name Code	Depth				
1 WOODFORD 319WDFD	7154				
Spacing Orders: 660243	Location Exception Orders:	724926	Increased Density Orders: 725010		
678048			725011		
726180					
Pending CD Numbers: No Pending	Working interest owners	notified: ***	Special Orders: No Special		
Total Depth: 18614 Ground Elevation: 1125	Surface Casing: 3	90	Depth to base of Treatable Water-Bearing FM: 340		
Under Federal Jurisdiction: No	Under Federal Jurisdiction: No		Approved Method for disposal of Drilling Fluids:		
Fresh Water Supply Well Drilled: No					
Surface Water used to Drill: Yes		F. Haul to Commercial soil farmin facility	ng Sec. 1 Twn. 7S Rng. 3E Cnty. 85 Order No: 549455		
		H. (Other)	CLOSED SYSTEM=STEEL PITS (REQUIRED - PURCELL LAKE)		
PIT 1 INFORMATION		Category of Pit:	с		
Type of Pit System: CLOSED Closed System Means	Steel Pits	Liner not required for Categor			
Type of Mud System: WATER BASED		Pit Location is:			
Chlorides Max: 5000 Average: 3000		Pit Location Formation:	PURCELL		
Is depth to top of ground water greater than 10ft below bas	e of pit? Y				
Within 1 mile of municipal water well? N					
Within 1 mile of municipal water well? N Wellhead Protection Area? N					
Within 1 mile of municipal water well? N					
Within 1 mile of municipal water well? N Wellhead Protection Area? N					

Section: 27 Township:	6N Rang	ge: 2W	Meridian:	M Total Length:	10245
County:	MCCLAIN			Measured Total Depth:	18614
Spot Location of End Point:	S2 S2	SE SV	V	True Vertical Depth:	7500
Feet From:	SOUTH	1/4 Section L	_ine: 90	End Point Location from	
Feet From:	WEST	1/4 Section L	_ine: 1980	Lease,Unit, or Property Line:	90

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	[5/26/2022 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.COM/OG/OGFORMS.HTML; 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 - 725010	[6/16/2022 - GB1] - 22-6N-2W X660243 WDFD 3 WELLS LRR IV OPERATING INC 4/21/2022
INCREASED DENSITY - 725011	[6/16/2022 - GB1] - 27-6N-2W X678048 WDFD 3 WELLS LRR IV OPERATING INC 4/21/22
LOCATION EXCEPTION - 724926	[6/16/2022 - GB1] - (I.O.) 22 & 27-6N-2W X660243 WDFD 22-6N-2W X678048 WDFD 27-6N-2W COMPL INT (22-6N-2W) NCT 165' FNL, NCT 0' FSL, NCT 660' FWL COMPL INT (27-6N-2W) NCT 0' FNL, NCT 165' FSL, NCT 660' FWL LRR IV OPERATING INC 4/18/22
SPACING - 660243	[6/16/2022 - GB1] - (640)(HOR) 22-6N-2W EXT 635106 WDFD COMPL. INT. NCT 165' FNL/FSL, NCT 330' FEL/FWL
SPACING - 678048	[6/16/2022 - GB1] - (640)(HOR) 27-6N-2W VAC 450070 NW4 WDFD EXT 660056 WDFD COMPL. INT. NLT 165' FNL/FSL, NLT 330' FEL/FWL
SPACING - 726180	[6/16/2022 - GB1] - (I.O.) 22 &27-6N-2W EST MULTIUNIT HORIZONTAL WELL X660243 WDFD 22-6N-2W X678048 WDFD 27-6N-2W 50% 22-6N-2W 50% 27-6N-2W LRR IV OPERATING INC 6/15/22

