

API NUMBER: 109 22516 A

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

Directional Hole Oil & Gas

Amend reason: RENAME AND CHANGE FORMATION

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 36 Township: 11N Range: 3W County: OKLAHOMA

SPOT LOCATION: ☐ SW ☐ SE ☐ NW ☐ NW
FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 1272 968

Lease Name: STATE A Well No: 22 Well will be 968 feet from nearest unit or lease boundary.

Operator Name: STEPHENS & JOHNSON OPERATING CO Telephone: 9407232166; 9407165376 OTC/OCC Number: 19113 0

STEPHENS & JOHNSON OPERATING CO
PO BOX 2249
WICHITA FALLS, TX 76307-2249

OKLAHOMA INDUSTRIES AUTHORITY
105 NORTH HUDSON AVE SUITE 101
OKLAHOMA CITY OK 73102

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

Name	Code	Depth
1 TULIP CREEK	202TPCK	6625

Spacing Orders: No Spacing

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: DNA

Special Orders: No Special

Total Depth: 7200 Ground Elevation: 1314

Surface Casing: 1120

Depth to base of Treatable Water-Bearing FM: 1070

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

Approved Method for disposal of Drilling Fluids:

E. Haul to Commercial pit facility	Sec. 16 Twn. 5N Rng. 2W Cnty. 87 Order No: 589782
H. (Other)	CLOSED SYSTEM=STEEL PITS (REQUIRED - CROOKED OAK CREEK)

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: KINGMAN

DIRECTIONAL HOLE 1

Section: 36 Township: 11N Range: 3W Meridian: IM
County: OKLAHOMA

Measured Total Depth: 7200

Spot Location of End Point: NW SE NW NW

True Vertical Depth: 7175

Feet From: NORTH 1/4 Section Line: 987

End Point Location from

Feet From: WEST 1/4 Section Line: 978

Lease, Unit, or Property Line: 978

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	[6/23/2023 - G56] - FORMATION UNSPACED; 160-ACRE LEASE (NW4)