

API NUMBER: 137 27610

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

Approval Date: 06/17/2020
Expiration Date: 12/17/2021

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 23 Township: 1S Range: 5W County: STEPHENS

SPOT LOCATION: ☐ NW ☐ SE ☐ SW ☐ SE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 453 676

Lease Name: JONES QUINN Well No: 25 Well will be 453 feet from nearest unit or lease boundary.
Operator Name: SOUTHERLAND JOE DON dba TAYLOR OIL Telephone: 5808607805 OTC/OCC Number: 19583 0

SOUTHERLAND JOE DON dba TAYLOR OIL CO
PO BOX 188
VELMA, OK 73491-0188

TURNER BIFFLE
PO BOX 564
VELMA OK 73491

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

Name	Code	Depth
1 PERMIAN	459PRMN	100

Spacing Orders: No Spacing

Location Exception Orders: No Exceptions

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 1000

Ground Elevation: 0

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 140

Alternate Casing Program

Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.

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

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. CBL REQUIRED

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 1000 Average: 750

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: 2

Liner not required for Category: 2

Pit Location is: BED AQUIFER

Pit Location Formation: PURCELL

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>6/12/2020 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;</p> <p>2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG</p>
SPACING	6/16/2020 - G56 - FORMATION UNSPACED; 100-ACRE LEASE (S2 NW4 SE4, S2 SE4)