

API NUMBER: 017 25723

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

Approval Date: 10/27/2021  
Expiration Date: 04/27/2023

Horizontal Hole Oil & Gas

## PERMIT TO DRILL

WELL LOCATION: Section: 15 Township: 12N Range: 7W County: CANADIAN

SPOT LOCATION: ☐ SE ☐ SE ☐ NW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 1507 1090

Lease Name: KING JULIEN 15-12N-7W Well No: 2MH Well will be 1090 feet from nearest unit or lease boundary.  
Operator Name: PALOMA OPERATING CO INC Telephone: 7136508509 OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC  
1100 LOUISIANA ST STE 5100  
HOUSTON, TX 77002-5220

ETTA L. GOUCHER  
1817 SOUTH SHEPARD  
EL RENO OK 73036

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	9100

Spacing Orders: 141057

Location Exception Orders: 721231

Increased Density Orders: No Density

Pending CD Numbers: 202101864

Working interest owners' notified: \*\*\*

Special Orders: No Special

Total Depth: 17000

Ground Elevation: 1358

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 390

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: 21-37873

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 not** located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: CHICKASHA

### 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 not** located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: CHICKASHA

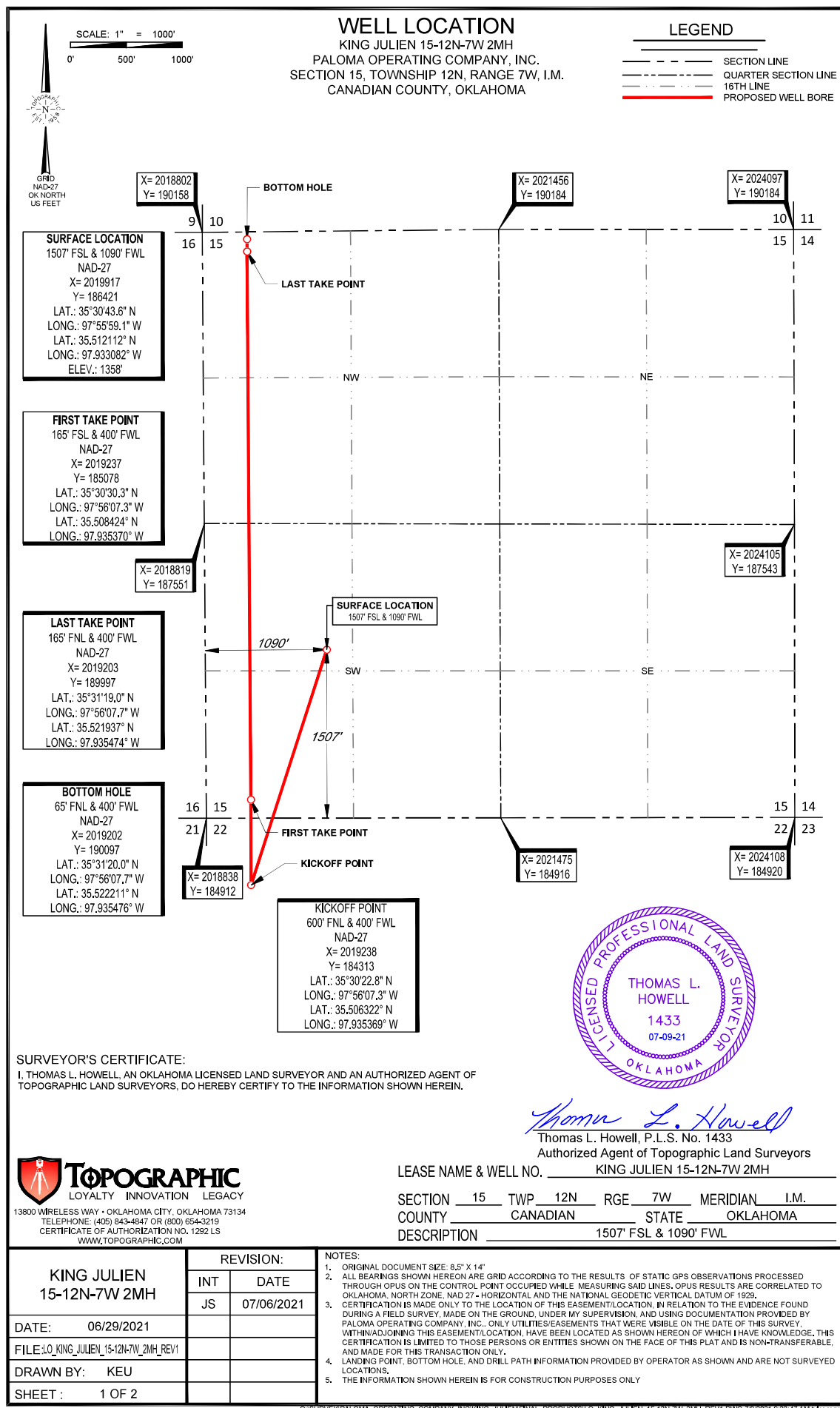
This permit does not address the right of entry or settlement of surface damages. The duration of this permit is 18 MONTHS, except as otherwise provided by Rule 165: 10-3-1. Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

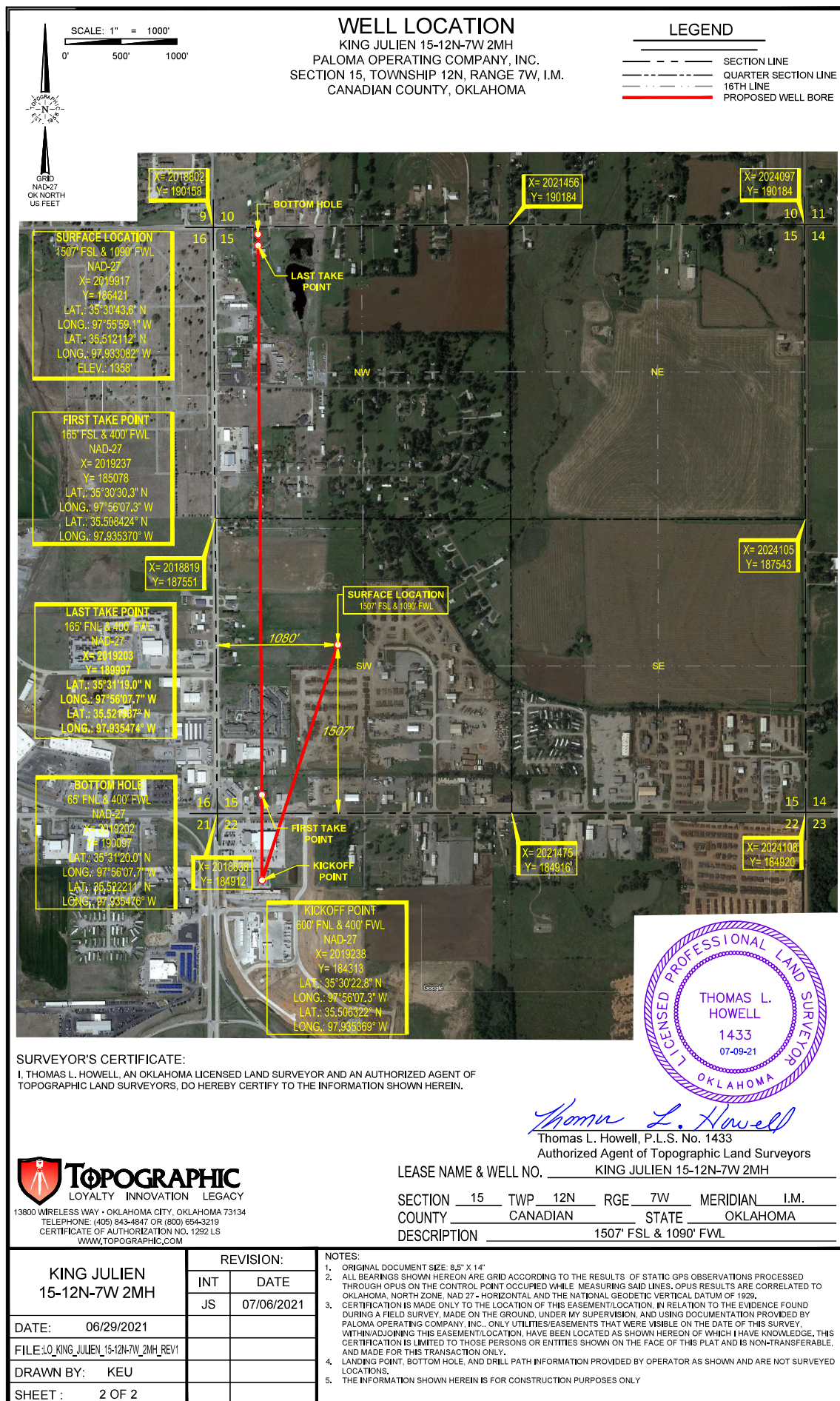
**HORIZONTAL HOLE 1**

Section: 15	Township: 12N	Range: 7W	Meridian: IM	Total Length: 5019
County: CANADIAN				Measured Total Depth: 17000
Spot Location of End Point: NE	NW	NW	NW	True Vertical Depth: 9750
Feet From: <b>NORTH</b>	1/4 Section Line: 65		End Point Location from	
Feet From: <b>WEST</b>	1/4 Section Line: 400		Lease, Unit, or Property Line: 65	

**NOTES:**

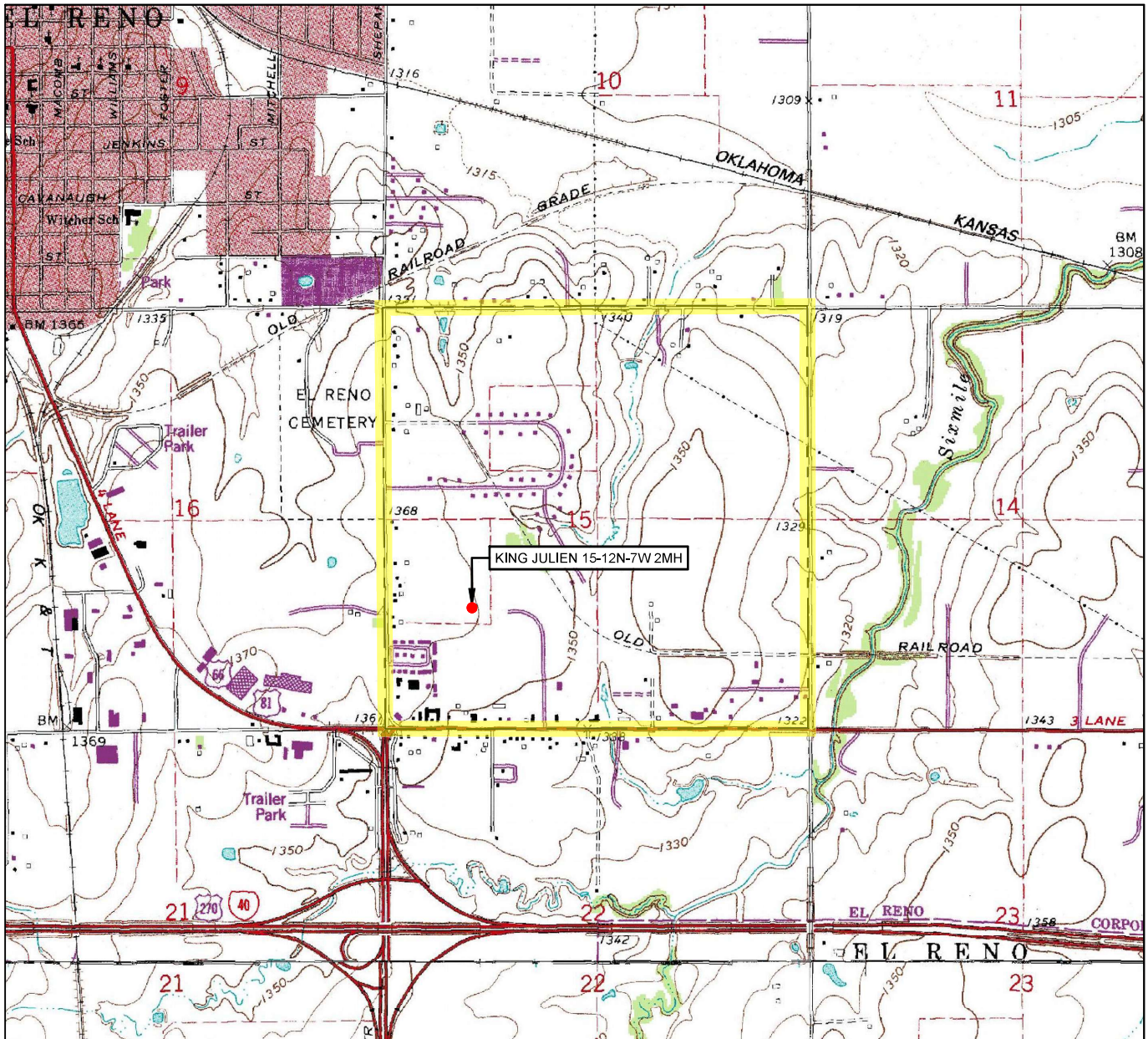
Category	Description
DEEP SURFACE CASING	[10/11/2021 - GC2] - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	<p>[10/11/2021 - GC2] - OCC 165:10-3-10 REQUIRES:</p> <p>1) NOTICE 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: <a href="http://OCCEWEB.COM/OG/OGFORMS.HTML">OCCEWEB.COM/OG/OGFORMS.HTML</a>; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
LOCATION EXCEPTION - 721231	<p>[10/27/2021 - G56] - (I.O.) 15-12N-7W  X141057 MSSP  X165:10-3-28(C)(2)(B) MSSP (KING JULIEN 15-12N-7W 2MH)  MAY BE CLOSER THAN 600' TO SCHWAB 15-4 WELL  COMPL INT NCT 165' FSL, NCT 165' FNL, NCT 330' FWL  PALOMA OPERATING, CO INC  10/20/2021</p>
MEMO	[10/11/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202101864	<p>[10/27/2021 - G56] - 15-12N-7W  X141057 MSSP  2 WELLS  TPR MID-CON LLC***  REC 10/5/2021 (MOORE)</p> <p>*** S/B PALOMA OP CO INC, WILL BE CORRECTED IN FINAL ORDER PER ATTORNEY FOR OPERATOR;</p>
SPACING - 141057	<p>[10/27/2021 - G56] - (640) 15-12N-7W  EXT OTHERS  EST OTHER  EXT 124533 MSSP</p>







# LOCATION & ELEVATION VERIFICATION MAP



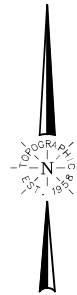
LEASE NAME & WELL NO. KING JULIEN 15-12N-7W 2MH

SECTION 15 TWP 12N RGE 7W MERIDIAN 1M.

COUNTY CANADIAN STATE OKLAHOMA

DESCRIPTION 1507' FSL & 1090' FWL

ELEVATION 1358'



SCALE: 1" = 2000'  
0' 1000' 2000'

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY PALOMA OPERATING COMPANY, INC.. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

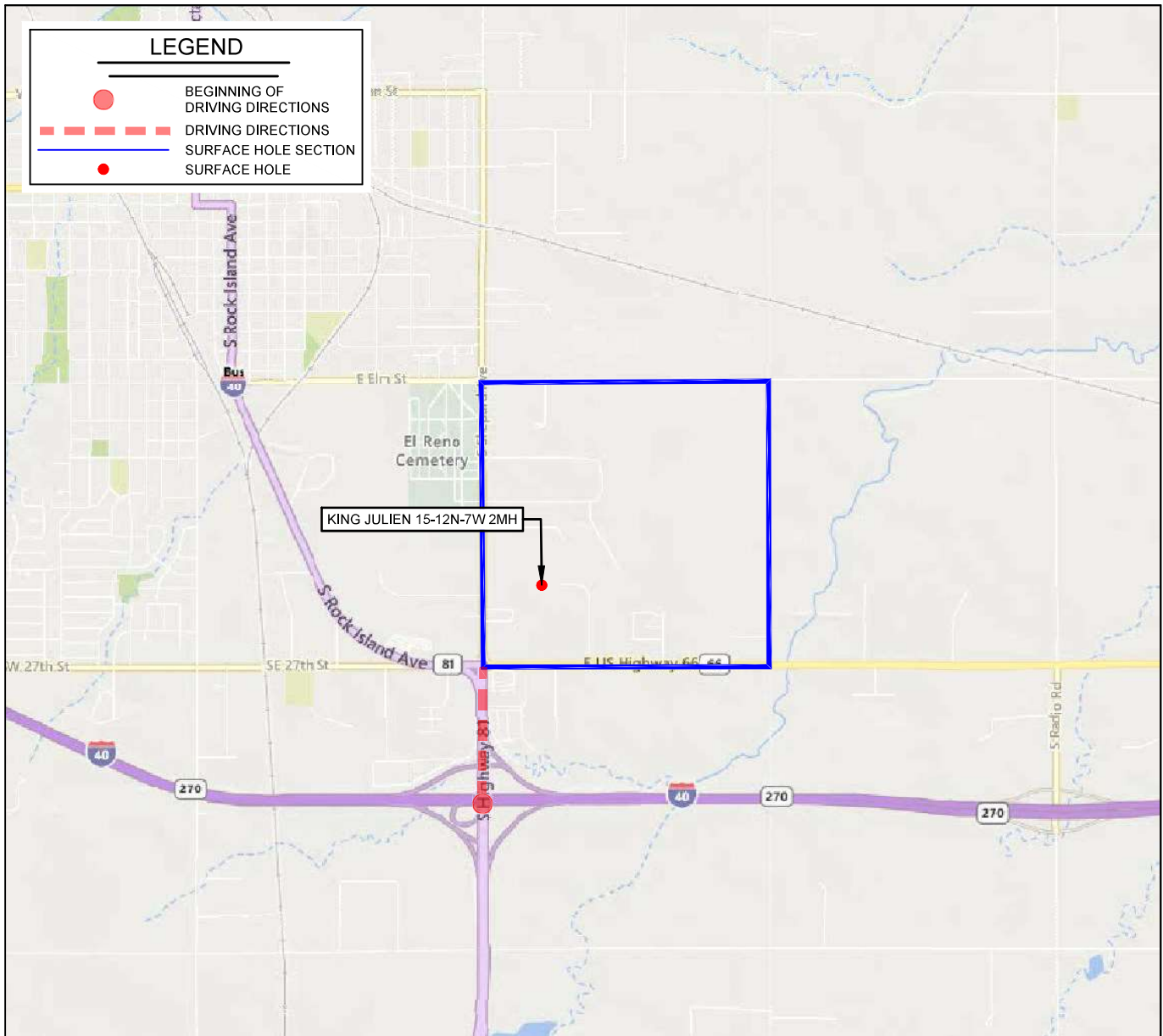
ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE OKLAHOMA STATE PLANE COORDINATE SYSTEM, NORTH ZONE OF THE NORTH AMERICAN DATUM 1927, U.S. SURVEY FEET AND THE NATIONAL GEODETIC VERTICAL DATUM OF 1929.



**TOPOGRAPHIC**  
LOYALTY INNOVATION LEGACY

13800 WIRELESS WAY • OKLAHOMA CITY, OKLAHOMA 73134  
TELEPHONE: (405) 843-4847 OR (800) 654-3219  
CERTIFICATE OF AUTHORIZATION NO. 1292 LS  
WWW.TOPOGRAPHIC.COM

# VICINITY MAP



LEASE NAME & WELL NO. KING JULIEN 15-12N-7W 2MH

SECTION 15 TWP 12N RGE 7W MERIDIAN I.M.

COUNTY CANADIAN STATE OKLAHOMA

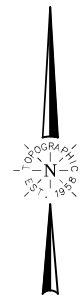
DESCRIPTION 1507' FSL & 1090' FWL

DISTANCE & DIRECTION

FROM THE INTERSECTION OF I-40 & OK-81 GO  $\pm 0.5$  MI. NORTH TO  
THE SOUTHWEST CORNER OF SECTION 15-T12N-R7W.

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SCALE: 1" = 3000'  
0' 1500' 3000'



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