

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

API NUMBER: 085 21310

Approval Date: 07/17/2019

Expiration Date: 01/17/2021

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 06 Twp: 7S Rge: 1W

County: LOVE

SPOT LOCATION: ☐ SE ☐ NE ☐ SW ☐ NE

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 1670 1205

Lease Name: NORTH PIKE SANDERS UNIT

Well No: 24-3

Well will be 1435 feet from nearest unit or lease boundary.

Operator Name: JONES L E OPERATING INC

Telephone: 5802551191

OTC/OCC Number: 19169 0

JONES L E OPERATING INC

PO BOX 1185

DUNCAN, OK 73534-1185

WILLIS CHOATE IV

P.O. BOX 507

MARIETTA OK 73448

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

|   | Name    | Depth | Name | Depth |
|---|---------|-------|------|-------|
| 1 | SANDERS | 7420  | 6    |       |
| 2 |         |       | 7    |       |
| 3 |         |       | 8    |       |
| 4 |         |       | 9    |       |
| 5 |         |       | 10   |       |

Spacing Orders: 662476

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 7800

Ground Elevation: 780

**Surface Casing: 620**

Depth to base of Treatable Water-Bearing FM: 570

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 3500 Average: 2500

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

H. CLOSED SYSTEM=STEEL PITS (REQUIRED - SIMON CREEK)

F. Haul to Commercial soil farming facility: Sec. 23 Twn. 7S Rng. 3W Cnty. 85 Order No: 515698

Notes:

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX 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.

085 21310 NORTH PIKE SANDERS UNIT 24-3

| Category             | Description   |
|----------------------|---|
| HYDRAULIC FRACTURING | <p>6/19/2019 - 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: <a href="http://OCCWEB.COM/OG/OGFORMS.HTML">OCCWEB.COM/OG/OGFORMS.HTML</a>; 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: <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p> |
| SPACING – 662476     | <p>7/15/2019 - GB6 - (UNIT) N2, N2 N2 SW4, N2 SE4, NE4 SE4 SE4 6-7S-1W<br/>EST NORTH PIKE SANDERS UNIT FOR SDRS</p>   |
| WATERSHED STRUCTURE  | <p>6/19/2019 - G71 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (580) 223-5865 PRIOR TO DRILLING</p>  |

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085 21310 NORTH PIKE SANDERS UNIT 24-  
3