

API NUMBER: 063 24951

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

Approval Date: 08/26/2022

Expiration Date: 02/26/2024

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 11 Township: 5N Range: 9E County: HUGHES

SPOT LOCATION: ☐ SW ☐ NW ☐ NE ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 520 1450

Lease Name: KOALA 11/2/35

Well No: 2H

Well will be 1450 feet from nearest unit or lease boundary.

Operator Name: SILVER CREEK OIL & GAS LLC

Telephone: 9725731630; 9725731630

OTC/OCC Number: 22726 0

SILVER CREEK OIL & GAS LLC

IRVING, TX 75038-2665

THE HUFFSTUTLAR FAMILY TRUST
RICKIE D. HUFFSTUTLAR & BRUCE E. HUFFSTUTLAR

1091 COUNTY STREET 2560

HYDRO OK 73048

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	5310
2	WOODFORD	319WDFD	5513
3	HUNTON	269HNTN	5680
4	SYLVAN	203SLVN	5893

Spacing Orders: 565371
727145

Location Exception Orders: No Exceptions

Increased Density Orders: 727795

Pending CD Numbers: 202202268
202202269

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 13200

Ground Elevation: 777

Surface Casing: 410

Depth to base of Treatable Water-Bearing FM: 360

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

Approved Method for disposal of Drilling Fluids:

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: 8000 Average: 5000

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: AP/TE DEPOSIT

Pit Location Formation: TERRACE

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: AP/TE DEPOSIT

Pit Location Formation: TERRACE

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.

MULTI UNIT HOLE 1

Section: 35	Township: 6N	Range: 9E	Meridian: IM	Total Length: 7220
County: HUGHES				Measured Total Depth: 13200
Spot Location of End Point: NW SW NE SW				True Vertical Depth: 7000
Feet From: SOUTH		1/4 Section Line: 1835		End Point Location from
Feet From: WEST		1/4 Section Line: 1476		Lease, Unit, or Property Line: 1476

NOTES:

Category	Description
HYDRAULIC FRACTURING	<p>[8/16/2022 - 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: OCCWEB.COM/OG/OGFORMS.HTML; 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>
INCREASED DENSITY - 727795	<p>[8/26/2022 - G56] - 11-5N-9E X565371 WDFD 1 WELL SILVER CREEK OIL & GAS, LLC 8/22/2022</p>
MEMO	<p>[8/16/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER (REQUIRED - BIG CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT VIA FORM 1014X</p>
PENDING CD - 202202268	<p>[8/26/2022 - G56] - (I.O.) 35-6N-9E, 2 & 11-5N-9E EST MULTIUNIT HORIZONTAL WELL X202201854 MSSP, WDFD, HNTN, SLVN 35-6N-9E X202201853 MSSP, WDFD, HNTN, SLVN 2-5N-9E X565371 WDFD, OTHERS 11-5N-9E (MSSP, HNTN, SLVN ARE ADJACENT CSS TO WDFD) 21.6% 35-6N-9E 70.4% 2-5N-9E 8% 11-5N-9E NO OP NAMED REC 7/5/2022 (MILLER)</p>
PENDING CD - 202202269	<p>[8/26/2022 - G56] - (I.O.) 35-6N-9E, 2 & 11-5N-9E X202201854 MSSP, WDFD, HNTN, SLVN 35-6N-9E X202201853 MSSP, WDFD, HNTN, SLVN 2-5N-9E X565371 WDFD, OTHERS 11-5N-9E COMPL INT (35-6N-9E) NCT 0' FSL, NCT 165' FNL, NCT 330' FWL COMPL INT (2-5N-9E) NCT 0' FSL, NCT 0' FNL, NCT 330' FWL COMPL INT (11-5N-9E) NCT 1000' FNL, NCT 0' FNL, NCT 330' FWL *** NO OP NAMED REC 7/5/2022 (MILLER)</p> <p>*** S/B NFT 1000' FNL, NCT 0' FNL, NCT 330' FWL; WILL BE CORRECTED AT HEARING PER ATTORNEY FOR OPERATOR;</p>
SPACING - 727145	<p>[8/26/2022 - G56] - (640)(HOR) 2-5N-9E VAC OTHER VAC 536817 WDFD, OTHER EST MSSP WDFD, HNTN, SLVN POE TO BHL (MSSP, HNTN) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL POE TO BHL (SLVN) NCT 330' FB</p>
SPACING - 727146	<p>[8/26/2022 - G56] - (640)(HOR) 35-6N-9E VAC 538106 WDFD, OTHER EST MSSP, WDFD, HNTN, SLVN POE TO BHL (MSSP, HNTN) NCT 660' FB POE TO BHL (WDFD) NCT 165' FNL & FSL, NCT 330' FEL & FWL POE TO BHL (SLVN) NCT 330' FB</p>