API NUMBER: 051 22625 E

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

Approval Date: 06/14/2019

Expiration Date: 12/14/2020

Special Orders:

15206

28691 112216

Straight Hole Oil & Gas

Amend reason: OCC CORRECTION: UPDATE ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION:	Section: 07	Township:	5N Rar	ge: 8W	County: C	RAD'					
SPOT LOCATION:	N2 N2 N2	SE	FEET FROM QUAR	TER: FROM	SOUTH	FROM	WEST				
			SECTION LI	NES:	2431		1320				
Lease Name:	HERMAN			Well No:	1-7			Well will be	1320	feet from nearest unit or lease	boundary.
Operator Name:	TERRITORY RESOURC	ES LLC		Telephone:	40553313	00; 40	55331300			OTC/OCC Number:	22388 0
TERRITORY RESOURCES LLC					N	MELFORD L & MARGARET L SCOTT					
1511 S SANGRE RD						F	OUTE 1 BOX 970)			
STILLWATER	2,	OK	74074-1869								
							EMENT			OK 73017	
Formation(s) (Permit Valid for Listed Formations Only):											
Name		Code		Depth							
1 YULE-FUNK	405YLFK		.FK	6100							
Spacing Orders:	393794	•	L	ocation Excep	otion Orders	: No	Exceptions		Inc	reased Density Orders: 69995	9

Total Depth: 10670 Ground Elevation: 1296 Surface Casing: 1152 Depth to base of Treatable Water-Bearing FM: 725

Under Federal Jurisdiction: No Approved Method for disposal of Drilling Fluids:

Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

Pending CD Numbers:

NOTES:	
Category	Description
HYDARAULIC FRACTURING	5/10/2019 - GB7 - OCC 165:10-3-10 REQUIRES:
	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;
	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: OCCEWEB.COM/OG/OGFORMS.HTML; AND,
	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
INCREASED DENSITY - 699959	2/24/2020 - G56 - 7-5N-8W X393794 YLFK 2 WELLS TERRITORY RESOURCES, LLC 7/30/2019
SPACING - 393794	2/25/2020 - G56 - (640) 7-5N-8W EST YLFK EST OTHERS