

API NUMBER: 117 23709

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

Approval Date: 12/22/2021
Expiration Date: 06/22/2023

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 23 Township: 20N Range: 8E County: PAWNEE

SPOT LOCATION: ☐ SE ☐ SE ☐ NW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1610 1155

Lease Name: HILL Well No: 5 Well will be 165 feet from nearest unit or lease boundary.

Operator Name: SPESS OIL COMPANY INC Telephone: 9183585831; 9183585831 OTC/OCC Number: 2057 0

SPESS OIL COMPANY INC
200 S BROADWAY ST
CLEVELAND, OK 74020-4617

SPESS FAMILY LIMITED PARTNERSHIP
200 S. BROADWAY STREET
CLEVELAND OK 74020

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

	Name	Code	Depth
1	CLEVELAND	405CLVD	1740
2	SKINNER	404SKNR	2325
3	RED FORK	404RDFK	2450

Spacing Orders: No Spacing Location Exception Orders: No Exceptions Increased Density Orders: No Density

Pending CD Numbers: No Pending Working interest owners' notified: *** Special Orders: No Special

Total Depth: 2500 Ground Elevation: 970 Surface Casing: 570 Depth to base of Treatable Water-Bearing FM: 520

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

Approved Method for disposal of Drilling Fluids:
A. Evaporation/dewater and backfilling of reserve pit.

PIT 1 INFORMATION

Type of Pit System: ON SITE
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 located in a Hydrologically Sensitive Area.

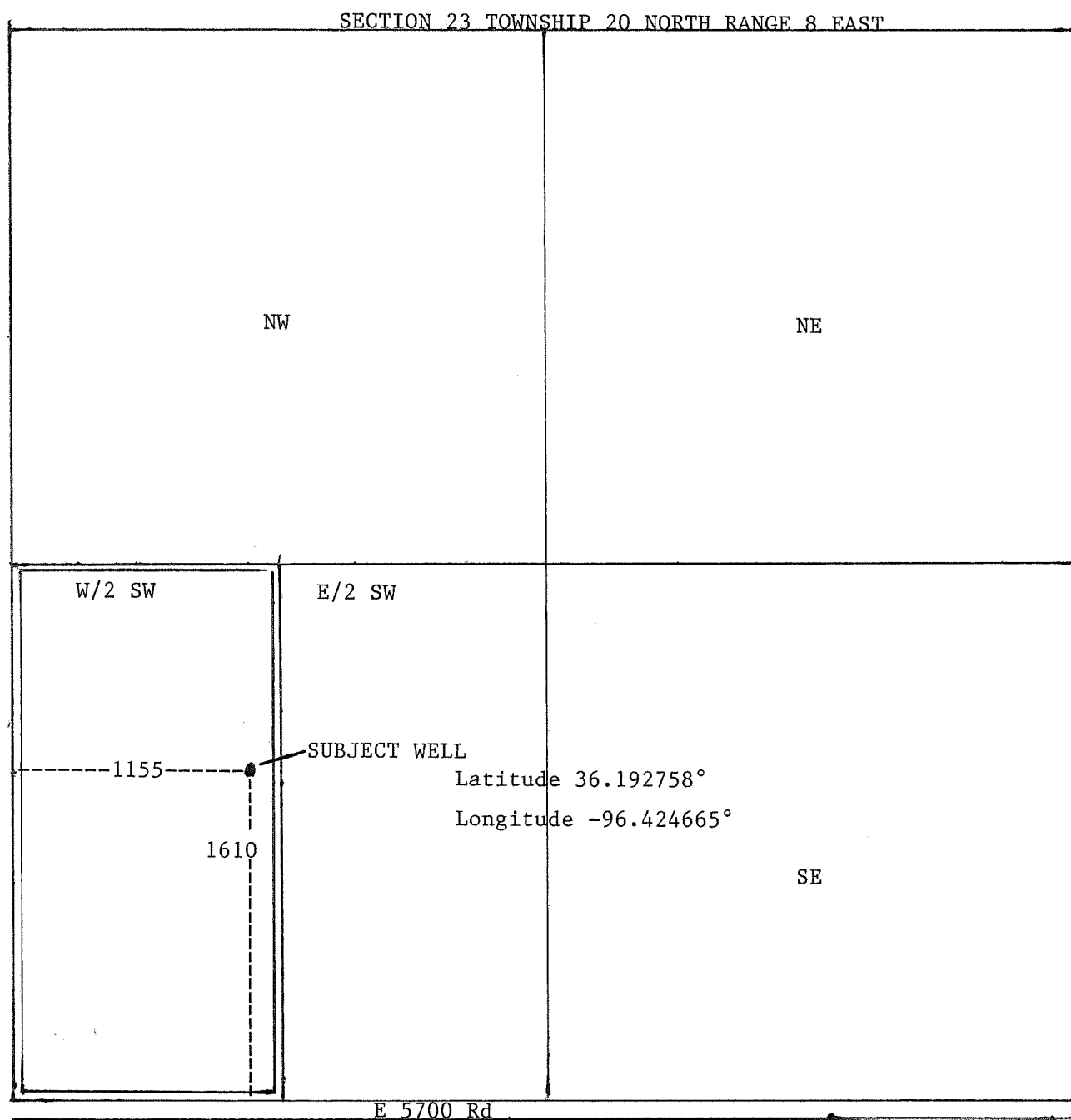
Category of Pit: 2
Liner not required for Category: 2
Pit Location is: BED AQUIFER
Pit Location Formation: VANOSS

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>[12/15/2021 - 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: OCCEWEB.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>
SPACING	[12/22/2021 - GC2] - FORMATIONS UNSPACED, 80-ACRE W2 SW4

PLAT OF HILL #5, INDICATING FOOTAGES AND LEASE BOUNDARY



The lease boundary is the W/2 of SW/4.

The subject well is 165 feet from the East line.

Spess Oil Company - Operator