

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

API NUMBER: 051 24727

Approval Date: 10/15/2019

Expiration Date: 04/15/2021

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 5N Rge: 8W

County: GRADY

SPOT LOCATION:

NE

SW

NE

SW

FEET FROM QUARTER: FROM

SOUTH

FROM

WEST

SECTION LINES:

1760

1760

Lease Name: BADGER

Well No: 1

Well will be 880 feet from nearest unit or lease boundary.

Operator
Name: NEON GAS LLC

Telephone: 4055907303

OTC/OCC Number: 24394 0

NEON GAS LLC
14551 S MIDWEST BLVD
EDMOND, OK 73034-9335

KENNETH C AND BRIDGET N MOWERY
4168 SOONER ROAD
CHICKASHA OK 73018

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

	Name	Depth	Name	Depth
1	FORTUNA	2200	6	
2	NOBLE OLSON (PERMIAN)	3300	7	
3			8	
4			9	
5			10	

Spacing Orders: 402047

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 4000

Ground Elevation: 1370

Surface Casing: 970

Depth to base of Treatable Water-Bearing FM: 920

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

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>9/5/2019 - 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: OCCEWEB.COM/OG/OGFORMS.HTML; 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: FRACFOCUS.ORG</p>
SPACING - 402047	<p>10/15/2019 - G56 - (160) S2 18-5N-8W VAC 191939 NBLOP EST FRTN, NBLOP</p>