API NUMBER: 141 20536

Straight Hole Oil & Gas

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

Approval Date: 05/03/2023
Expiration Date: 11/03/2024

PERMIT TO DRILL

WELL LOCATION: Section: 07 Township: 3S Range: 18W County: TILLMAN

SPOT LOCATION: NE SW SW NE FEET FROM QUARTER: FROM **NORTH** FROM **EAST**

SECTION LINES: **2000** **2280**

Lease Name: **RIPLEY** **Well No:** **1** **Well will be** **360** **feet from nearest unit or lease boundary.**

Operator Name: **AC OPERATING COMPANY LLC** Telephone: 7138819030 OTC/OCC Number: 23061 0

AC OPERATING COMPANY LLC

HOUSTON, TX 77024-2851

JAMES J RIPLEY

1011 WALL STREET

FREDERICK OK 73542

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

	Name	Code	Depth
1	HENDERSON	406HDRS	3030
2	CANYON	405CNYN	3460
3	STRAWN	404STRN	4185
4	MISSISSIPPIAN	359MSSP	5275

Spacing Orders: 658650

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: DNA

Special Orders: No Special

Total Depth: 5500 Ground Elevation: 1265 **Surface Casing: 175** Depth to base of Treatable Water-Bearing FM: 110

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.

H. (Other)	1B MIN. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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: 1B
Liner required for Category: 1B
Pit Location is: AP/TE DEPOSIT
Pit Location Formation: TERRACE

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	[4/20/2023 - GC2] - OCC 165:10-3-10 REQUIRES: 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; 2) NOTICE WILL BE GIVEN TO THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES AT LEAST 48 HOURS PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS; AND, 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
SPACING	[5/3/2023 - G56] - HDRS, CNYN, MSSP UNSPACED; 160-ACRE LEASE (NE4)
SPACING - 658650	[5/3/2023 - G56] - (UNIT) N2 7-3S-18W EST SOUTH TRIMUE UNIT FOR STRN

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