

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

API NUMBER: 057 20121 A

Approval Date: 08/13/2019
Expiration Date: 02/13/2021

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 2N Rge: 24W County: HARMON
SPOT LOCATION: C S2 S2 NE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 330 1320

Lease Name: SEARCEY Well No: 1-22 Well will be 330 feet from nearest unit or lease boundary.
Operator Name: CHARTER OAK PRODUCTION CO LLC Telephone: 4052860361 OTC/OCC Number: 21672 0

CHARTER OAK PRODUCTION CO LLC
13929 QUAIL POINTE DR
OKLAHOMA CITY, OK 73134-1037

BILLY G. SEARCEY 1992 LIVING TRUST
16486 N. 1840 RD.
GOULD OK 73544

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

| | Name | Depth | Name | Depth |
|---|---------------|-------|------|-------|
| 1 | GRAHAM | 3400 | 6 | |
| 2 | CANYON | 4800 | 7 | |
| 3 | STRAWN | 5600 | 8 | |
| 4 | MISSISSIPPIAN | 6700 | 9 | |
| 5 | | | 10 | |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 7250 Ground Elevation: 1533 Surface Casing: 360 Depth to base of Treatable Water-Bearing FM: 270

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: 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 not located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2

Pit Location is NON HSA

Pit Location Formation: DOG CREEK

Notes:

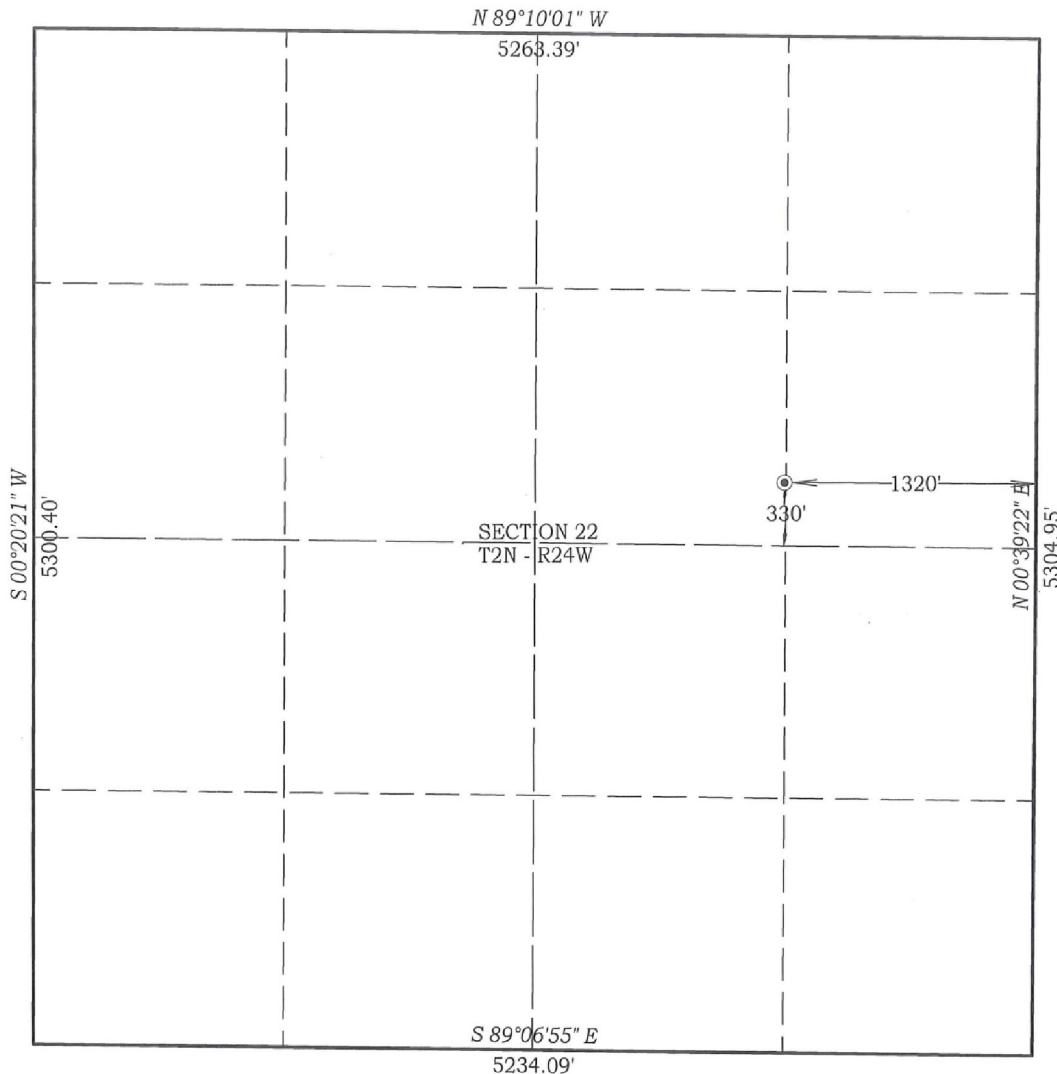
This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

| Category | Description |
|----------------------|---|
| HYDRAULIC FRACTURING | <p>6/27/2018 - 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: OCCWEB.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 | <p>8/13/2019 - GC2 - FORMATIONS UNSPACED 160-ACRES NE4</p> |
| SURFACE CASING | <p>6/27/2018 - G71 - MIN. 320' PER ORDER 277435</p> |

Well Location Plat
M & M Land Surveying, Inc.
520 "E" Street NW. Ardmore, OK. 73401
Office 580-226-0446 Mobile 580-221-4999

Company Name: Charter Oak Production Company Lease Name: Searcey #1-22
 Section 22 Township 2 North Range 24 West County Harmon Oklahoma
 Surface Location 330' FSL - 1320' FEL of NE/4 Elevation 1533' Good Location? Yes

Topography
 Location fell in Cotton
 stubble.



Bearings are GRID NORTH

Scale: 1" = 1000'
 Invoice #18229
 Date 5/25/18

OKLAHOMA SOUTH ZONE
Location NAD 27
 Surface Location
 N= 476,666'
 E=1,486,893'
 Latitude: 34.631264°
 Longitude: 99.705741°

Location NAD 83
 Surface Location
 N= 476,706'
 E=1,455,293'
 Latitude: 34.631331°
 Longitude: 99.706113°

Best Accessibility to Location
 From the East

Distance & Direction From From the Jct of US. #62 and SH.#5 in Gould, Okla., go 4.3 miles East on US. #62. then 2 miles South on County Road to the Northeast Corner of Section 22.
 Highway or Town _____

CERTIFICATE:

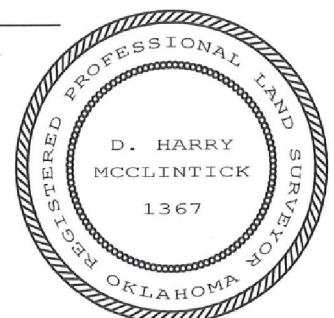
I, D. Harry McClintick, a Registered Land Surveyor in the state of Oklahoma, do hereby certify that the above described Well Location was surveyed and staked on the ground as shown.

[Signature] 5/30/18

D. Harry McClintick, R.P.L.S. # 1367, CA # 3093

This location has been staked according to the best official survey records available to us, but its accuracy is not guaranteed. Please review this plat and notify us immediately of any discrepancy.

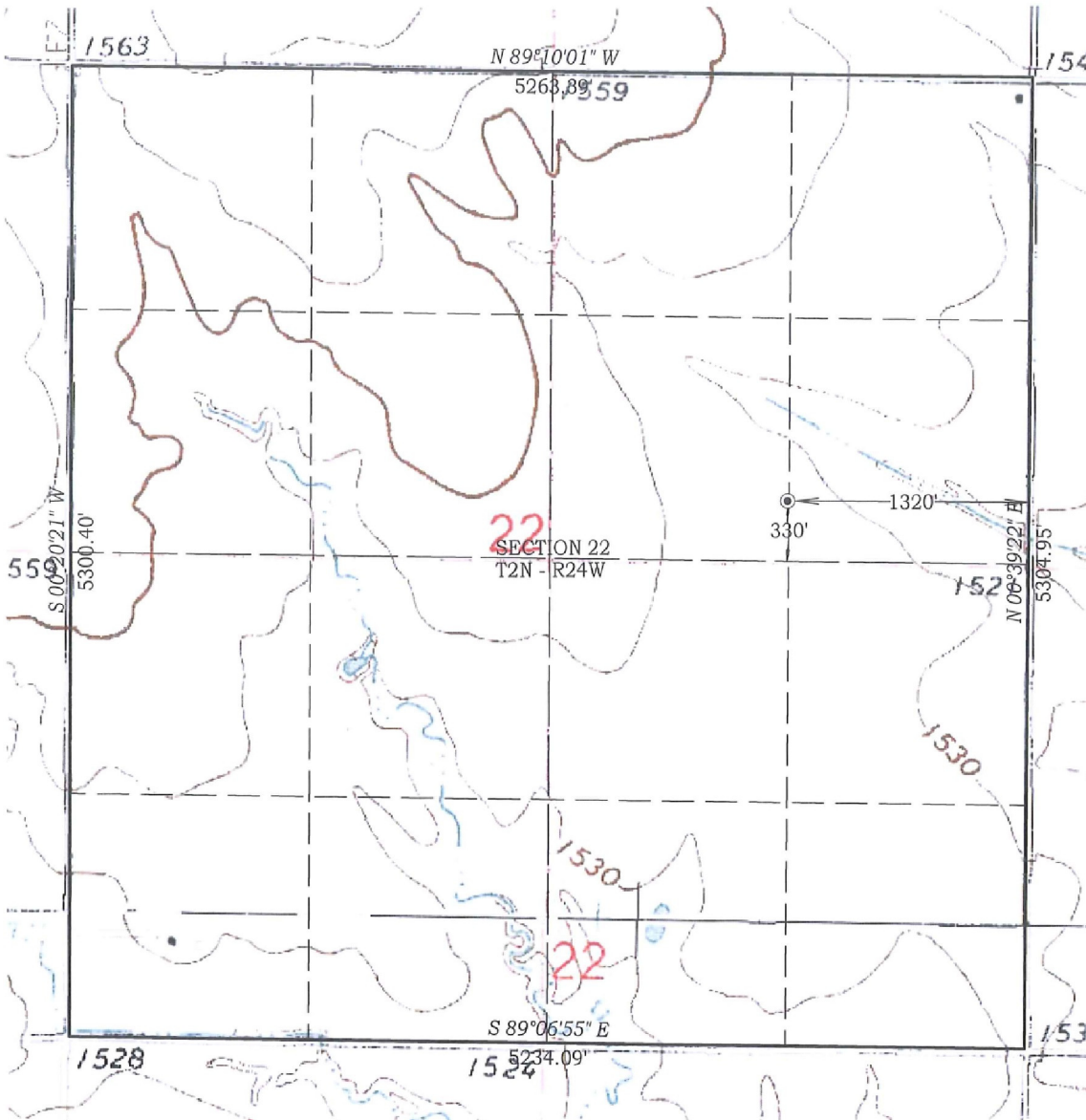
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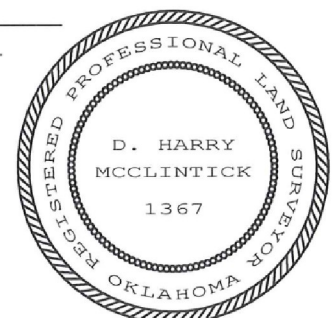
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