API NUMBER: 121 24923

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

Approval Date: 10/04/2022
Expiration Date: 04/04/2024

Multi Unit Oil & Gas

PERMIT TO DRILL

| WELL LOCATION: Section: 05 Township: 3N Range: 14E | County: PITTSBURG |
|--|--|
| | |
| | |
| | 384 2282 |
| Lease Name: SWEETIN Well No: | 1-5H32 Well will be 384 feet from nearest unit or lease boundary. |
| Operator Name: SANGUINE GAS EXPLORATION LLC Telephone: | 9184946070 OTC/OCC Number: 21381 0 |
| | |
| SANGUINE GAS EXPLORATION LLC | MARQUETTA PERSALL |
| | PO BOX 217 |
| TULSA, OK 74119-1199 | KIOWA OK 74553 |
| | |
| | |
| Formation(s) (Permit Valid for Listed Formations Only): | |
| Name Code Depth | |
| 1 MISSISSIPPIAN 359MSSP 11200 | |
| 2 WOODFORD 319WDFD 11700 | |
| Spacing Orders: 727246 Location Excepti | ion Orders: 727886 Increased Density Orders: No Density |
| 727276 | |
| 728408 | |
| Pending CD Numbers: No Pending Working inter | rest owners' notified: *** Special Orders: No Special |
| Total Depth: 22800 Ground Elevation: 716 Surface C | asing: 1200 Depth to base of Treatable Water-Bearing FM: 210 |
| | Deep surface casing has been approved |
| Under Federal Jurisdiction: No | Approved Method for disposal of Drilling Fluids: |
| Fresh Water Supply Well Drilled: No | Approved Metrica for disposal of Drilling Fluids. |
| Surface Water used to Drill: Yes | F. Haul to Commercial soil farming Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 721553 |
| | facility |
| | H. (Other) SEE MEMO |
| PIT 1 INFORMATION | Category of Pit: C |
| Type of Pit System: CLOSED Closed System Means Steel Pits | Liner not required for Category: C |
| Type of Mud System: WATER BASED | Pit Location is: AP/TE DEPOSIT |
| Chlorides Max: 8000 Average: 5000 | Pit Location Formation: TERRACE |
| 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 <u>is</u> located in a Hydrologically Sensitive Area. | |
| The isolocated in a Hydrologically Scholive Area. | |
| PIT 2 INFORMATION | Category of Pit: C |
| Type of Mud System: CLOSED Closed System Means Steel Pits | Liner not required for Category: C Pit Location is: AP/TE DEPOSIT |
| Type of Mud System: OIL BASED Chlorides Max: 300000 Average: 200000 | Pit Location is: AP/TE DEPOSIT Pit Location Formation: TERRACE |
| Is depth to top of ground water greater than 10ft below base of pit? Y | - R LOSAROTT OTHEROIS - TENTAGE |
| Within 1 mile of municipal water well? N | |
| Wellhead Protection Area? N | |
| Pit <u>is</u> located in a Hydrologically Sensitive Area. | |
| | |

MULTI UNIT HOLE 1

Section: 32 Township: 4N Range: 14E Meridian: IM Total Length: 11476

County: PITTSBURG Measured Total Depth: 22800

Spot Location of End Point: NW NE NE NW True Vertical Depth: 11800

Feet From: NORTH

1/4 Section Line: 165
End Point Location from
Lease, Unit, or Property Line: 165

NOTES:

| NOTES: | |
|---|--|
| Category | Description |
| DEEP SURFACE CASING | [9/28/2022 - GC2] - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING |
| HYDRAULIC FRACTURING | [9/28/2022 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.COM/OG/OGFORMS.HTML; 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 |
| LOCATION EXCEPTION - 727886 (CD2022- 002379) | [10/4/2022 - GB6] - (I.O.) 5-3N-14E, 32-4N-14E X727246 MSSP, WDFD 5-3N-14E X727276 MSSP, WDFD, OTHERS 32-4N-14E COMPL. INT. (5-3N-14E) NCT 165' FSL, NCT 0' FNL, NCT 660' FWL COMPL. INT. (32-4N-14E) NCT 0' FSL, NCT 165' FNL, NCT 660' FWL SANGUINE GAS EXPLORATION, LLC 08/25/2022 |
| MEMO | [9/28/2022 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - CHUN CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT |
| SPACING - 727246 | [10/4/2022 - GB6] - (640)(HOR) 5-3N-14E EST MSSP, WDFD COMPL. INT. (MSSP) NCT 660' FB COMPL. INT. (WDFD) NCT 165' FSL, NCT 165' FNL, NCT 330' FEL, NCT 330' FWL |
| SPACING - 727276 | [10/4/2022 - GB6] - (640)(HOR) 32-4N-14E EST MSSP, WDFD, OTHERS COMPL. INT. (MSSP, OTHER) NCT 660' FB COMPL. INT. (WDFD) NCT 165' FSL, NCT 165' FNL, NCT 330' FEL, NCT 330' FWL COMPL. INT. (OTHER) (COEXIST OTHER) |
| SPACING - 728408 (CD2022-002375) | [10/4/2022 - GB6] - (I.O.) 5-3N-14E & 32-4N-14E EST MULTIUNIT HORIZONTAL WELL X727246 MSSP, WDFD 5-3N-14E X727276 MSSP, WDFD, OTHERS 32-4N-14E (MSSP, OTHERS ADJACENT COMMON SOURCE OF SUPPLY TO WDFD) 50% 5-3N-14E 50% 32-4N-14E NO OPER. NAMED 09/13/2022 |