

API NUMBER: 011 24362

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

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

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 35 Township: 14N Range: 12W County: BLAINE

SPOT LOCATION: ☐ NW ☐ SE ☐ SW ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 333 1883

Lease Name: STOUT Well No: 35-2-1MH Well will be 330 feet from nearest unit or lease boundary.
Operator Name: CRAWLEY PETROLEUM CORPORATION Telephone: 4052329700 OTC/OCC Number: 7980 0

CRAWLEY PETROLEUM CORPORATION
105 N HUDSON AVE STE 800
OKLAHOMA CITY, OK 73102-4803

JAMES R. STOUT, TRUSTEE OF THE JAMES R. STOUT AND DIANE
STOUT REVOCABLE TRUST
2909 SPYGLASS HILL ROAD
EDMOND OK 73034

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	13200

Spacing Orders: No Spacing

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202301254
202301252

Working interest owners' notified: DNA

Special Orders: No Special

Total Depth: 18505 Ground Elevation: 1658

Surface Casing: 420

Depth to base of Treatable Water-Bearing FM: 170

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

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 23-39036
H. (Other) SEE MEMO

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: WATER BASED
Chlorides Max: 8000 Average: 5000
Is depth to top of ground water greater than 10ft below base of pit? Y
Within 1 mile of municipal water well? Y
Wellhead Protection Area? Y
Pit is located in a Hydrologically Sensitive Area.

Category of Pit: 1A
Liner required for Category: 1A
Pit Location is: BED AQUIFER
Pit Location Formation: RUSH SPRINGS

PIT 2 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: OIL BASED
Chlorides Max: 300000 Average: 200000
Is depth to top of ground water greater than 10ft below base of pit? Y
Within 1 mile of municipal water well? Y
Wellhead Protection Area? Y
Pit is located in a Hydrologically Sensitive Area.

Category of Pit: 3
Liner required for Category: 3
Pit Location is: BED AQUIFER
Pit Location Formation: RUSH SPRINGS

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.

HORIZONTAL HOLE 1

Section: 2	Township: 13N	Range: 12W	Meridian: IM	Total Length: 4988
	County: BLAINE			Measured Total Depth: 18505
Spot Location of End Point: SE	SE	SW	SE	True Vertical Depth: 13264
Feet From: SOUTH		1/4 Section Line: 165		End Point Location from
Feet From: EAST		1/4 Section Line: 1400		Lease, Unit, or Property Line: 165

NOTES:

Category	Description
HYDRAULIC FRACTURING	<p>[5/10/2023 - 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 FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS; 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>
INTERMEDIATE CASING	[5/10/2023 - GC2] - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES
MEMO	[5/10/2023 - GC2] - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202301252	[5/11/2023 - G56] - (E.O.)(640)(HOR) 2-13N-12W EST MSSP COMPL INT NCT 660' FB REC 5/9/2023 (DENTON)
PENDING CD - 202301254	[5/11/2023 - G56] - (E.O.) 2-13N-12W X202301252 MSSP COMPL INT NCT 165' FNL, NCT 165' FSL, NCT 330' FEL NO OP NAMED REC 5/9/2023 (DENTON)
PUBLIC WATER SUPPLY	[5/10/2023 - GC2] - LARIAT CREEK CHRISTIAN CAMP - 4 WELLS NE/4 35-14N-12W
SURFACE CASING	[5/10/2023 - GC2] - NO DEEP SURFACE CASING DUE TO BEING INSIDE PUBLIC WATER SUPPLY WELL BOUNDARIES