

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

API NUMBER: 109 22475 A

Approval Date: 09/05/2019  
Expiration Date: 03/05/2021

Directional Hole Oil & Gas

Amend reason: CHANGE NAME. ADD FORMATIONS. CHANGE  
BHL. UPDATE OCC ORDERS.

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 36 Twp: 11N Rge: 3W County: OKLAHOMA  
SPOT LOCATION:  NE  SW  NE  NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 905 1965

Lease Name: STATE A Well No: 19 Well will be 680 feet from nearest unit or lease boundary.

Operator Name: STEPHENS & JOHNSON OPERATING CO Telephone: 9407232166; 9407165 OTC/OCC Number: 19113 0

STEPHENS & JOHNSON OPERATING CO  
PO BOX 2249  
WICHITA FALLS, TX 76307-2249

STATE OF OKLAHOMA  
120 NORTH ROBINSON, STE 1000W  
OKLAHOMA CITY OK 73102

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

Name	Depth	Name	Depth
1 PRUE	6380	6	
2 TULIP CREEK	6610	7	
3 MCLISH	6725	8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 7050 Ground Elevation: 1321 **Surface Casing: 1140** Depth to base of Treatable Water-Bearing FM: 1090

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

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: KINGMAN

Approved Method for disposal of Drilling Fluids:

E. Haul to Commercial pit facility: Sec. 24 Twn. 8N Rng. 8W Cnty. 51 Order No: 393756  
H. CLOSED SYSTEM=STEEL PITS (REQUIRED - ORDERS 67309/68650)

DIRECTIONAL HOLE 1

Sec 36 Twp 11N Rge 3W County OKLAHOMA

Spot Location of End Point: SW NE NE NW

Feet From: NORTH 1/4 Section Line: 355

Feet From: EAST 1/4 Section Line: 519

Measured Total Depth: 7050

True Vertical Depth: 7007

End Point Location from Lease,

Unit, or Property Line: 355

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>8/13/2019 - 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: <a href="http://OCCEWEB.COM/OG/OGFORMS.HTML">OCCEWEB.COM/OG/OGFORMS.HTML</a>; 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: <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
SPACING	1/16/2020 - GB6 - PRUE, TPCK, MCLS UNSPACED, 160-ACRE LEASE (NW4 36-11N-3W)

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