

API NUMBER: 019 26537 A

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

Approval Date: 01/24/2023

Expiration Date: 07/24/2024

Directional Hole Oil & Gas

Amend reason: CHANGE FROM STRAIGHT HOLE TO
DIRECTIONAL HOLE.

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 27 Township: 4S Range: 2W County: CARTER

SPOT LOCATION: ☐ NE ☐ NE ☐ NW ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 254 1034

Lease Name: HHU Well No: 534 Well will be 254 feet from nearest unit or lease boundary.

Operator Name: KODIAK OIL & GAS INC Telephone: 9407594001 OTC/OCC Number: 23226 0

KODIAK OIL & GAS INC
204 N WALNUT ST
MUNSTER, TX 76252-2766

RANDY K AND LAURA A SMITH
11787 MEMORIAL RD
WILSON OK 73463

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

Name	Code	Depth
1 HOXBAR	405HXBR	1800

Spacing Orders: 63637

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 2800

Ground Elevation: 911

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 540

Alternate Casing Program

Cement will be circulated by use of a two-stage cementing tool from 640 to 0 .

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: 23-38837

H. (Other)

CBL REQUIRED

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: 2

Liner not required for Category: 2

Pit Location is: BED AQUIFER

Pit Location Formation: WELLINGTON

DIRECTIONAL HOLE 1

Section: 27 Township: 4S Range: 2W Meridian: IM
County: CARTER

Measured Total Depth: 2800

Spot Location of End Point: NE NE NW NW

True Vertical Depth: 2750

Feet From: NORTH 1/4 Section Line: 298

Feet From: WEST 1/4 Section Line: 1144

End Point Location from
Lease, Unit, or Property Line: 298

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
ALTERNATE CASING	[1/24/2023 - GC2] - APPROVED; (1) MUD UP PRIOR TO TD TO PROTECT SHALLOW SANDS, (2) 2-STAGE CEMENTING TOOL TO BE SET AT 100' BELOW BTW, (3) COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY, & (4) SUBSEQUENT WELLS ON SAME PAD WILL NOT BE ALLOWED ALTERNATE SURFACE CASING IN THE EVENT OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C)
HYDRAULIC FRACTURING	<p>[1/24/2023 - 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>
SPACING - 63637	<p>[1/24/2023 - G56] - (UNIT) NW4 NW4 NW4, NE4 NW4 NW4, NW4 NE4 NW4, SE4 NE4 NW4, S2 NW4 NW4, SW4 NE4 NW4, N2 SW4 NW4, NW4 SE4 NW4, SW4 NW4 NE4, N2 SW4 NE4, E2 NW4 NE4 27-4S-2W</p> <p>EST HEWITT HOXBAR UNIT FOR HXBR</p>