

API NUMBER: 065 20314 A

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

Approval Date: 10/21/2020

Expiration Date: 04/21/2022

Straight Hole Oil & Gas

Amend reason: ADD FORMATIONS

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 02 Township: 1N Range: 20W County: JACKSON

SPOT LOCATION: ☐ NE ☐ SE ☐ SW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 358 1220

Lease Name: SOUTHALL Well No: 5 Well will be 358 feet from nearest unit or lease boundary.

Operator Name: FULCRUM EXPLORATION LLC Telephone: 9728986044 OTC/OCC Number: 22183 0

FULCRUM EXPLORATION LLC
1401 SHOAL CREEK STE 290
HIGHLAND VILLAGE, TX 75077-3249

MAURICIO DIAZ
415 E. LIVE OAK
ALTUS OK 73521

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

	Name	Code	Depth
1	PONTOTOC	419PNTC	1060
2	CISCO	406CSCO	1575
3	CANYON	405CNYN	1630

Spacing Orders: 518513

Location Exception Orders: 716547

Increased Density Orders: 716415

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special Orders

Total Depth: 1800 Ground Elevation: 1317

Surface Casing: 250

Depth to base of Treatable Water-Bearing FM: 200

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

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

PIT 1 INFORMATION

Type of Pit System: ON SITE

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: HENNESSEY

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>[10/16/2020 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCWEB.COM/OG/OGFORMS.HTML; 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>
INCREASED DENSITY - 716415	<p>[2/10/2021 - G56] - SW4 2-1N-20W X518513 PNTC, CSCO 3 WELLS FULCRUM EXPLORATION, LLC 1/15/2021</p>
LOCATION EXCEPTION - 716547	<p>[2/10/2021 - G56] - (F.O.) SW4 2-1N-20W X518513 PNTC, CSCO SHL 358' FSL, 1220' FWL FULCRUM EXPLORATION, LLC 1/26/2021</p>
SPACING	[10/21/2020 - G56] - CNYN FORMATION UNSPACED; 160-ACRE LEASE (SW4)
SPACING - 518513	<p>2/10/2021 - G56 - (160) SW 2-1N-20W VAC OTHER VAC 36652 PMGW EST PNTC, CSCO, OTHERS</p>