

API NUMBER: 025 21081

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

Approval Date: 09/23/2020
Expiration Date: 03/23/2022

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 15 Township: 3N Range: 9ECM County: CIMARRON

SPOT LOCATION: C SW NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 1980 660

Lease Name: HANES TRUST Well No: 2-15 Well will be 660 feet from nearest unit or lease boundary.
Operator Name: T AND L OIL INC Telephone: 5806289959 OTC/OCC Number: 21251 0

T AND L OIL INC
102 S MAIN ST
TONKAWA, OK 74653-4530

DARUS HANES
P.O. BOX 25
KEYES OK 74653

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

	Name	Code	Depth
1	RED CAVE	RDCV	1625
2	COUNCIL GROVE	CCGV	2850
3	HEEBNER	406HBNR3	3210
4	CHEROKEE	404CHRK	4118
5	MORROW UP	402MRRWU	4285

	Name	Code	Depth
6	MORROW SAND LOW	402MWSDL	4484
7	MISSISSIPPI	351MISS	4780

Spacing Orders: 44385 Location Exception Orders: 713893 Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending Special Orders: No Special Orders

Total Depth: 4862 Ground Elevation: 3768 Surface Casing: 1650 Depth to base of Treatable Water-Bearing FM: 180

Deep surface casing has been approved

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: 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? N
Wellhead Protection Area? N
Pit is located in a Hydrologically Sensitive Area.

Category of Pit: 1B
Liner required for Category: 1B
Pit Location is: BED AQUIFER
Pit Location Formation: OGALLALA

NOTES:

Category	Description
DEEP SURFACE CASING	9/22/2020 - GB1 - 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. 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)

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.

HYDRAULIC FRACTURING	<p>9/17/2020 - GC2 - 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: OCCEWEB.COM/OG/OGFORMS.HTML; 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: FRACFOCUS.ORG</p>
LOCATION EXCEPTION - 713893	<p>9/22/2020 - GB1 - (F.O.) 15-3N-9ECM X44385 MWSDL 1980' FNL, 660' FWL MILLBRAE ENERGY, LLC*** 8/17/2020</p> <p>*** S/B NO OP NAMED; NPT WILL BE FILED PER ATTORNEY FOR OPR</p>
SPACING	9/22/2020 - GB1 - RDCV, CCGV, HBNR, CHRK, MRRWU, MISS UNSPACED, 640-ACRE LEASE 15-3N-9ECM
SPACING - 44385	9/22/2020 - GB1 - (640) 15-3N-9ECM EST MWSDL
SURFACE CASING	9/22/2020 - GB1 - DEEP SURFACE CASING SET @ 1650' W/ DV TOOL @ 280' TO COVER BTW @ 180'