

API NUMBER: 045 23886

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

Approval Date: 01/18/2023

Expiration Date: 07/18/2024

Horizontal Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 16 Township: 20N Range: 26W County: ELLIS

SPOT LOCATION: ☐ NE ☐ NW ☐ NE ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 170 850

Lease Name: GRAYSON 16/21 AP

Well No: 1H

Well will be 170 feet from nearest unit or lease boundary.

Operator Name: MEWBOURNE OIL COMPANY

Telephone: 9035612900

OTC/OCC Number: 6722 0

MEWBOURNE OIL COMPANY

3620 OLD BULLARD RD

TYLER, TX 75701-8644

GRAYSON KELLN

170622 E. CR 56

SHATTUCK OK 73858

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

Name	Code	Depth
1 DES MOINES	404DSMN	8900

Spacing Orders: 729326

Location Exception Orders: 729831

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 18788

Ground Elevation: 2397

Surface Casing: 810

Depth to base of Treatable Water-Bearing FM: 560

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 23-38820

H. (Other)

SEE MEMO

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is: BED AQUIFER

Pit Location Formation: OGALLALA

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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? 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: OGALLALA

HORIZONTAL HOLE 1

Section: 21 Township: 20N Range: 26W Meridian: IM

Total Length: 9479

County: ELLIS

Measured Total Depth: 18788

Spot Location of End Point: E2 SW SE SE

True Vertical Depth: 9200

Feet From: SOUTH 1/4 Section Line: 330

End Point Location from

Feet From: EAST 1/4 Section Line: 850

Lease, Unit, or Property Line: 330

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.

NOTES:	
Category	Description
HYDRAULIC FRACTURING	<p>[1/17/2023 - 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>
LOCATION EXCEPTION - 729831	<p>[1/18/2023 - G56] - (I.O.) 16 & 21-20N-26W X729326 DSMN COMPL INT NCT 330' FNL, NCT 330' FSL, NCT 660' FEL MEWBOURNE OIL CO 11/14/2022</p>
MEMO	<p>[1/17/2023 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT</p>
SPACING - 729326	<p>[1/18/2023 - G56] - (1280)(HOR) 16 & 21-20N-26W VAC 691171 DSMN 16-20N-26W EST DSMN POE TO BHL NCT 660' FB (COEXIST WITH SP # 215013/607308 21-20N-26W)</p>
SURFACE CASING	<p>[1/17/2023 - GC2] - NO DEEP SURFACE CASING - LOST CIRCULATION IN 17-20N-26W</p>

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.