

API NUMBER: 073 26686 A

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

Approval Date: 02/22/2023
Expiration Date: 08/22/2024

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 28 Township: 16N Range: 9W County: KINGFISHER

SPOT LOCATION: ☐ NE ☐ SW ☐ SE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 370 1885

Lease Name: LO-NIC BIA 1609 Well No: 2-28-21MXH Well will be 370 feet from nearest unit or lease boundary.
Operator Name: MARATHON OIL COMPANY Telephone: 8666622378 OTC/OCC Number: 1363 0

MARATHON OIL COMPANY
990 TOWN & COUNTRY BLVD
HOUSTON, TX 77024-2217

RICHARD & SHERRILL MURRAY
3420 E. 790 ROAD
KINGFISHER OK 73750

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

| Name | Code | Depth |
|--------------------------------|----------|-------|
| 1 MISSISSIPPIAN (LESS CHESTER) | 359MSNLC | 9397 |

Spacing Orders: 659515
660247

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202205028
202205026
202205029
202205034
202205027

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 19037

Ground Elevation: 1173

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 650

Deep surface casing has been approved

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: 23-38862 |
| H. (Other) | SEE MEMO |
| G. Haul to recycling/re-use facility | Sec. 22 Twn. 16N Rng. 9W Cnty. 73 Order No: 647741 |

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: CHICKASHA

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: CHICKASHA

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.

MULTI UNIT HOLE 1

| | | | | |
|---|---------------|-----------------------|--------------|------------------------------------|
| Section: 21 | Township: 16N | Range: 9W | Meridian: IM | Total Length: 9376 |
| County: KINGFISHER | | | | Measured Total Depth: 19037 |
| Spot Location of End Point: NW NE NW NW | | | | True Vertical Depth: 9890 |
| Feet From: NORTH | | 1/4 Section Line: 165 | | End Point Location from |
| Feet From: WEST | | 1/4 Section Line: 865 | | Lease, Unit, or Property Line: 165 |

NOTES:

| Category | Description |
|------------------------|--|
| DEEP SURFACE CASING | [2/3/2023 - GC2] - APPROVED; (1) NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING. (2) SUBSEQUENT WELLS ON SAME PAD WILL NOT BE ALLOWED DEEP SURFACE CASING IN THE EVENT OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING. |
| HYDRAULIC FRACTURING | <p>[2/3/2023 - 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> |
| INTERMEDIATE CASING | 2/27/2020 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES |
| MEMO | 2/27/2020 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT |
| PENDING CD - 202205026 | <p>[2/22/2023 - GB1] - 21-16N-9W X660247 MSNLC 3 WELLS NO OP NAMED REC 2/14/2023 (PRESLAR)</p> |
| PENDING CD - 202205027 | <p>[2/22/2023 - GB1] - 28-16N-9W X659515 MSNLC 3 WELLS NO OP NAMED REC 2/14/2023 (PRESLAR)</p> |
| PENDING CD - 202205028 | <p>[2/22/2023 - GB1] - (I.O.) 21 & 28 -16N-9W EST MULTIUNIT HORIZONTAL WELL X659515 MSNLC, OTHER 28-16N-9W X660247 MSNLC, OTHER 21-16N-9W 50% 21-16N-9W 50% 28-16N-9W NO OP. NAMED REC 2/14/2023 (PRESLAR)</p> |
| PENDING CD - 202205029 | <p>[2/22/2023 - GB1] - (I.O.) 21 & 28 -16N-9W X659515 MSNLC, OTHER 28-16N-9W X660247 MSNLC, OTHER 21-16N-9W COMPL. INT. (28-16N-9W) NCT 165' FSL, NCT 0' FNL, NCT 660' FWL COMPL. INT. (21-16N-9W) NCT 0' FSL, NCT 165' FNL, NCT 660' FWL NO OP. NAMED REC 2/14/2023 (PRESLAR)</p> |
| PENDING CD - 202205034 | <p>[2/22/2023 - GB1] - I.O.) 21 & 28-16N-9W X165:10-3-28(C)(2)(B) MSNLC MAY BE CLOSER THAN 600' TO CONLEY 3-28 NO OP NAMED REC 2/14/2023 (PRESLAR)</p> |
| SPACING – 659515 | <p>3/10/2020 - GB6 - (640)(HOR) 28-16N-9W EXT 655017 MSNLC, OTHER COMPL. INT. (MSNLC) NCT 660' FB (COEXIST SP. ORDER # 5551190 MSSSD W2 28-16N-9W)</p> |
| SPACING – 660247 | <p>3/10/2020 - GB6 - (640)(HOR) 21-16N-9W EXT 655017 MSNLC, OTHER COMPL. INT. (MSNLC) NCT 660' FB</p> |

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073 26686 LO-NIC BIA 1609 2-28-21MXH