

API NUMBER: 015 23334

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

Approval Date: 03/13/2023

Expiration Date: 09/13/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 32 Township: 9N Range: 11W County: CADDO

SPOT LOCATION: SE NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 624 201

Lease Name: SWAN LAKE Well No: 1-29H Well will be 201 feet from nearest unit or lease boundary.

Operator Name: KING ENERGY LLC Telephone: 4054630909 OTC/OCC Number: 19617 0

KING ENERGY LLC

OKLAHOMA CITY, OK 73116-9044

BRAD WILLIAMS

14176 CR 1250

FORT COBB OK 73038

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

| Name | Code | Depth |
|------------|---------|-------|
| 1 MARCHAND | 405MRCD | 10200 |

Spacing Orders: 254054

Location Exception Orders: 726553

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 15550

Ground Elevation: 1489

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 330

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: 22-38933

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: RUSH SPRINGS

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: RUSH SPRINGS

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.

HORIZONTAL HOLE 1

Section: 29 Township: 9N Range: 11W Meridian: IM Total Length: 5200
County: CADDO Measured Total Depth: 15550
Spot Location of End Point: N2 N2 NE NE True Vertical Depth: 10350
Feet From: **NORTH** 1/4 Section Line: 165 End Point Location from
Feet From: **EAST** 1/4 Section Line: 660 Lease,Unit, or Property Line: 165

NOTES:

| Category | Description |
|---|--|
| DEEP SURFACE CASING | [3/10/2023 - 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 | [3/10/2023 - GC2] - OCC 165:10-3-10 REQUIRES: 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; 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, 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 |
| LOCATION EXCEPTION - 726553 (CD2022-001737) | [3/10/2023 - GB7] - 29-9N-11W X254054 MRCD COMPL INT NCT 165' FNL, NCT 165' FSL, NCT 660' FEL KING ENERGY LLC 06/30/2022 |
| SPACING - 254054 | [3/10/2023 - GB7] - (640) 29-9N-11W EXT 90017 MRCD EXT OTHERS |

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.

015 23334 SWAN LAKE 1-29H