API NUMBER: 085 21341

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

Approval Date: 10/20/2022
Expiration Date: 04/20/2024

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 31 Township: 6S Range: 1W County: LOVE

SPOT LOCATION: NW SE SW SW FEET FROM QUARTER: FROM **SOUTH** FROM **EAST**
SECTION LINES: **630** **1690**

Lease Name: **NORTH PIKE SANDERS UNIT** **Well No:** **18-1** **Well will be** **630** **feet from nearest unit or lease boundary.**

Operator Name: **L E JONES OPERATING INC** Telephone: 5802551191 OTC/OCC Number: 19169 0

L E JONES OPERATING INC
PO BOX 1185
DUNCAN, OK 73534-1185

H. WILLIS CHOATE, III
520 CIRCLE DR
MARIETTA OK 73448

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

	Name	Code	Depth
1	SANDERS	404SDRS	7190

Spacing Orders: 662476 Location Exception Orders: No Exceptions Increased Density Orders: No Density

Pending CD Numbers: No Pending Working interest owners' notified: *** Special Orders: No Special

Total Depth: 7600 Ground Elevation: 773 **Surface Casing: 710** Depth to base of Treatable Water-Bearing FM: 660

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: 22-38645
H. (Other)	CLOSED SYSTEM=STEEL PITS (REQUIRED - LOWER BAYOU CREEK)

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** located in a Hydrologically Sensitive Area.

Category of Pit: C
Liner not required for Category: C
Pit Location is: AP/TE DEPOSIT
Pit Location Formation: TERRACE

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	[10/4/2022 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.COM/OG/OGFORMS.HTML; 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
SPACING - 662476	[10/20/2022 - GB6] - (UNIT) W2, SE4, S2 NW4 NE4, SW4 NE4, NW4 SE4 NE4, S2 SE4 NE4 31-6S-1W EST NORTH PIKE SANDERS UNIT FOR THE SDRS
WATERSHED STRUCTURE	[10/4/2022 - GC2] - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE PRIOR TO DRILLING

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