

API NUMBER: 121 24910

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

Approval Date: 08/03/2022

Expiration Date: 02/03/2024

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 19 Township: 4N Range: 16E County: PITTSBURG

SPOT LOCATION: W2 E2 SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 660 810

Lease Name: SCHILLER

Well No: 3-19

Well will be 810 feet from nearest unit or lease boundary.

Operator Name: OXLEY ENERGY LLC

Telephone: 7134676427

OTC/OCC Number: 24290 0

OXLEY ENERGY LLC

PO BOX 19545

HOUSTON, TX 77224-9545

BENNIE AND CONNIE GREENWAY

16112 ST HWY 63

HARLSHOME OK 74547

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

Name	Code	Depth
1 MIDDLE ATOKA	403ATOKM	9500

Spacing Orders: 114315
116454

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202202320

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 9800

Ground Elevation: 663

Surface Casing: 90

Depth to base of Treatable Water-Bearing FM: 40

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: 22-38484

H. (Other)

SEE MEMO

PIT 1 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: ALLUVIAL

Pit Location Formation: ALLUVIUM

PIT 2 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: ALLUVIAL

Pit Location Formation: ALLUVIUM

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	<p>[7/28/2022 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.COM/OG/OGFORMS.HTML; 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>
MEMO	[7/28/2022 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - BRUSHY CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 2022-002320	<p>[8/3/2022 - GC2] - (I.O.) 19-4N-16E X114315/116454 ATOKM NCT 660' FSL, NCT 660' FWL NO OP NAMED REC. 7/11/2022 (P. PORTER)</p>
SPACING - 114315	[8/3/2022 - GC2] - (640) 19-4N-16E EXT 65864/67831/112241 ATOKM
SPACING - 116454	[8/3/2022 - GC2] - NUNC PRO TUNC FOR 114315 TO CORRECT ORDERING PARAGRAPH NUMBER 2
SURFACE CASING	[7/28/2022 - GC2] - NO DEEP SURFACE CASING - LOST CIRCULATION IN 25-4N-15E