

API NUMBER: 045 23877

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

Approval Date: 09/29/2022  
Expiration Date: 03/29/2024

Horizontal Hole Oil & Gas

**PERMIT TO DRILL**

WELL LOCATION: Section: 23 Township: 18N Range: 23W County: ELLIS

SPOT LOCATION: SW NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 404 530

Lease Name: TERRY Well No: 14-11 2H Well will be 404 feet from nearest unit or lease boundary.  
Operator Name: VALPOINT OPERATING LLC Telephone: 8063764675 OTC/OCC Number: 23241 0

VALPOINT OPERATING LLC  
7400 GOLDEN POND STE 200  
AMARILLO, TX 79121-1968

SHREWDER TRUST AB  
PO BOX 1  
WICHITA KS 67201

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

Name	Code	Depth
1 OSWEGO	404OSWG	9415

Spacing Orders: 670973

Location Exception Orders: 728308

Increased Density Orders: 727843

Pending CD Numbers: No Pending

Working interest owners' notified: \*\*\*

Special Orders: No Special

Total Depth: 17522

Ground Elevation: 2165

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 660

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: 22-38594  
H. (Other) CLOSED SYSTEM=STEEL PITS (REQUIRED - HACKBERRY CREEK)

**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

**HORIZONTAL HOLE 1**

Section: 11 Township: 18N Range: 23W Meridian: IM  
County: ELLIS

Spot Location of End Point: W2 W2 E2 E2

Feet From: SOUTH 1/4 Section Line: 2640

Feet From: EAST 1/4 Section Line: 1000

Total Length: 7722

Measured Total Depth: 17522

True Vertical Depth: 10000

End Point Location from  
Lease, Unit, or Property Line: 1000

**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
DEEP SURFACE CASING	[9/27/2022 - GC2] - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	<p>[9/27/2022 - 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: <a href="http://OCCWEB.COM/OG/OGFORMS.HTML">OCCWEB.COM/OG/OGFORMS.HTML</a>; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
INCREASED DENSITY - 727843	<p>[9/29/2022 - G56] - 11 &amp; 14-18N-23W  X670973 OSWG  1 WELL  NO OP NAMED  8/24/2022</p>
LOCATION EXCEPTION - 728308	<p>[9/29/2022 - G56] - (I.O.) 11 &amp; 14-18N-23W  X670973 OSWG  COMPL. INT. NCT 165' FSL, NCT 660' FNL, NCT 660' FEL  VALPOINT OP, LLC  9/9/2022</p>
SPACING - 670973	<p>[9/29/2022 - G56] - (1280)(HOR) 11 &amp; 14-18N-23W  VAC 91750 OSWG  EST OSWG  COMPL. INT. NCT 660' FB</p>

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045 23877 TERRY 14-11 2H