

API NUMBER: 045 23874

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

Approval Date: 09/20/2022

Expiration Date: 03/20/2024

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 20 Township: 19N Range: 25W County: ELLIS

SPOT LOCATION: S2 N2 NE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 2215 660

Lease Name: DLD FARMS Well No: 2-20HX Well will be 660 feet from nearest unit or lease boundary.
Operator Name: DUNCAN OIL PROPERTIES INC Telephone: 4052721800 OTC/OCC Number: 15876 0

DUNCAN OIL PROPERTIES INC
100 PARK AVE STE 1200
OKLAHOMA CITY, OK 73102-8023

EDWARD DRAKE
DLD FARM, LLC
301 N. SOONER ROAD
EDMOND OK 73034

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

Name	Code	Depth
1 CLEVELAND	405CLVD	9066

Spacing Orders: 684539
684540
724370

Location Exception Orders: 724371

Increased Density Orders: 724290
724289

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 17200 Ground Elevation: 2405

Surface Casing: 650

Depth to base of Treatable Water-Bearing FM: 600

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: 22-38479
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: OGALLALA

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: OGALLALA

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: 17	Township: 19N	Range: 25W	Meridian: IM	Total Length: 7741
County: ELLIS				Measured Total Depth: 17200
Spot Location of End Point: N2	NW	NE	NE	True Vertical Depth: 9066
Feet From: NORTH	1/4 Section Line: 165		End Point Location from	
Feet From: EAST	1/4 Section Line: 990		Lease, Unit, or Property Line: 165	

NOTES:

Category	Description
HYDRAULIC FRACTURING	<p>[8/26/2022 - 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>
INCREASED DENSITY - 724289	<p>[9/20/2022 - GB7] - 20-19N-25W X684540 CLVD 2 WELLS DUNCAN OIL PROPERTIES, INC. 3/17/2022</p>
INCREASED DENSITY - 724290	<p>[9/20/2022 - GB7] - 17-19N-25W X684539 CLVD 1 WELL DUNCAN OIL PROPERTIES, INC. 3/17/2022</p>
LOCATION EXCEPTION - 724371 (CD2022-000257)	<p>[9/20/2022 - GB7] - (I.O.) 20 & 17-19N-25W X684540 CLVD 20-19N-25W X684539 CLVD 17-19N-25W X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO BD 1-29HX (API# 045-23851) COMPL. INT. (20-19N-25W) NCT 1320' FSL, NCT 0' FNL, NCT 500' FEL COMPL. INT. (17-19N-25W) NCT 0' FSL, NCT 165' FNL, NCT 500' FEL DUNCAN OIL PROPERTIES, INC. 03/22/2022</p>
MEMO	<p>[8/26/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT</p>
SPACING - 684539	<p>[9/20/2022 - GB7] - (640)(HOR) 17-19N-25W VAC 82943 CLVD 17-19N-25W EST CLVD COMPL. INT. NLT 660' FB (COEXIST EXISTING NON-HORIZONTAL SPACING)</p>
SPACING - 684540	<p>[9/20/2022 - GB7] - (640)(HOR) 20-19N-25W VAC 88225 CLVD 20-19N-25W EST CLVD COMPL. INT. NLT 660' FB (COEXIST EXISTING NON-HORIZONTAL SPACING)</p>
SPACING - 724370 (CD2022-000256)	<p>[9/20/2022 - GB7] - (I.O.) 20 & 17-19N-25W EST MULTIUNIT HORIZONTAL WELL X684540 CLVD 20-19N-25W X684539 CLVD 17-19N-25W 34% 20-19N-25W 66% 17-19N-25W DUNCAN OIL PROPERTIES, INC. 03/22/2022</p>
SURFACE CASING	<p>[8/26/2022 - GC2] - NO DEEP SURFACE CASING - LOST CIRCULATION IN 30-19N-25W</p>

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045 23874 DLD FARMS 2-20HX