

API NUMBER: 005 20486

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

Approval Date: 04/20/2023

Expiration Date: 10/20/2024

Multi Unit

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 32 Township: 2N Range: 12E County: ATOKA

SPOT LOCATION: ☐ NW ☐ NE ☐ NW ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 286 1956

Lease Name: SCURVY DOG Well No: 1-32/8H Well will be 286 feet from nearest unit or lease boundary.

Operator Name: BLACKBEARD OPERATING LLC Telephone: 4322420050 OTC/OCC Number: 24493 0

BLACKBEARD OPERATING LLC

FORT WORTH, TX 76107-6646

JIM MCENTIRE & CLEO MCENTIRE REVOCALBE LIVING TRUST

550 EAST ENNIS LANE

WARDVILLE OK 74576

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	11558
2	WOODFORD	319WDFD	11933
3	HUNTON	269HNTN	12133
4	SYLVAN	203SLVN	12135

Spacing Orders: 731132
731534

Location Exception Orders: 731535

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: DNA

Special Orders: No Special

Total Depth: 24500

Ground Elevation: 750

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 290

Deep surface casing has been approved

Approved Method for disposal of Drilling Fluids:

H. (Other)

SEE MEMO

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

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.

PIT 1 INFORMATION**Type of Pit System:** ON SITE**Type of Mud System:** AIR

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:** 4**Liner not required for Category:** 4**Pit Location is:** BED AQUIFER**Pit Location Formation:** SAVANNAH

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

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:** BED AQUIFER**Pit Location Formation:** SAVANNAH**PIT 3 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:** SAVANNAH**MULTI UNIT HOLE 1**

Section: 8 Township: 1N Range: 12E Meridian: 1M

Total Length: 12500

County: ATOKA

Measured Total Depth: 24500

Spot Location of End Point: SE SW SE NW

True Vertical Depth: 12500

Feet From: **SOUTH** 1/4 Section Line: 165End Point Location from
Lease, Unit, or Property Line: 165Feet From: **WEST** 1/4 Section Line: 1950**NOTES:**

Category	Description
DEEP SURFACE CASING	[4/10/2023 - 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	<p>[4/10/2023 - 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 FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS; 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>
LOCATION EXCEPTION - 731535	<p>[4/20/2023 - GC2] - (I.O.) 32-2N-12E, 5 & 8-1N-12E X731132 MSSP, WDFD, HNTN, SLVN 32-2N-12E, 5 & N2 8-1N-12E COMPL. INT. (32-2N-12E) NCT 165' FNL, NCT 0' FSL, NCT 990' FWL COMPL. INT. (5-1N-12E) NCT 0' FNL, NCT 0' FSL, NCT 990' FWL COMPL. INT. (N2 8-1N-12E) NCT 0' FNL, NCT 165' FSL, NCT 990' FWL BLACKBEARD OPERATING, LLC 1/20/2023</p>
MEMO	[4/10/2023 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT VIA FORM 1014X
SPACING - 731132	<p>[4/20/2023 - GC2] - (640)(320)(HOR) 32-2N-12E, 5 & 8-1N-12E LD VAC 148624 HNTN 32-2N-12E & 5-1N-12E VAC 528343 MSSP, WDFD, SLVN 32-2N-12E VAC V564673 CNEY, WDFD 5-1N-12E EXT 688921 (640) MSSP, WDFD, HNTN, SLVN 32-2N-12E & 5-1N-12E EST (320) MSSP, WDFD, HNTN, SLVN 8-1N-12E COMPL. INT. (MSSP, HNTN) NLT 660' FB COMPL. INT. (SLVN) NLT 330' FB COMPL. INT. (WDFD) NLT 165' FNL/FSL, NLT 330' FEL/FWL COMPL. INT. (WDFD) NLT 330' FNL/FWL, NLT 165' FEL/FWL</p>
SPACING - 731534	<p>[4/20/2023 - GC2] - (I.O.) 32-2N-12E, 5 & 8-1N-12E EST MULTIUNIT HORIZONTAL WELL X731132 MSSP, WDFD, HNTN, SLVN 32-2N-12E, 5 & N2 8-1N-12E (MSSP, HNTN, SLVN ADJACENT COMMON SOURCE OF SUPPLY TO WDFD) 42% 32-2N-12E 42% 5-1N-12E 16% N2 8-1N-12E NO OP NAMED 1/20/2023</p>
SURFACE CASING	[4/10/2023 - GC2] - MIN. 700' PER ORDER 281288/42348/69185