

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

API NUMBER: 051 24578

Approval Date: 02/25/2019

Expiration Date: 08/25/2020

Horizontal Hole
Oil & Gas
Multi Unit

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 7N Rge: 6W

County: GRADY

SPOT LOCATION: ☐ SE ☐ NW ☐ SW ☐ NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 1673 2231

Lease Name: PHELPS

Well No: 2-31-30-19XHS

Well will be 1673 feet from nearest unit or lease boundary.

Operator Name: CONTINENTAL RESOURCES INC

Telephone: 4052349020; 4052349

OTC/OCC Number: 3186 0

CONTINENTAL RESOURCES INC
PO BOX 269000
OKLAHOMA CITY, OK 73126-9000

DESERT ROSE FAMILY, LLC
2349 COUNTY ST 2872
CHICKASHA OK 73018

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

| Name | Depth | Name | Depth |
|------------|-------|------|-------|
| 1 SPRINGER | 12964 | 6 | |
| 2 | | 7 | |
| 3 | | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: 123103
107496

Location Exception Orders:

Increased Density Orders: 690417
690419
690418

Pending CD Numbers: 201810623
201810624

Special Orders:

Total Depth: 25389

Ground Elevation: 1107

Surface Casing: 830

Depth to base of Treatable Water-Bearing FM: 580

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 3000 Average: 2000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? Y

Wellhead Protection Area? Y

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

D. One time land application -- (REQUIRES PERMIT)
H. SEE MEMO

PERMIT NO: 18-35874

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX 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 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? Y

Wellhead Protection Area? Y

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

HORIZONTAL HOLE 1

Sec 19 Twp 7N Rge 6W County GRADY

Spot Location of End Point: NE NE NE NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 2370

Depth of Deviation: 12561

Radius of Turn: 409

Direction: 354

Total Length: 12186

Measured Total Depth: 25389

True Vertical Depth: 12964

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category

Description

HYDRAULIC FRACTURING

2/4/2019 - G71 - OCC 165:10-3-10 REQUIRES:

1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;

2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCEWEB.COM/OG/OGFORMS.HTML; AND,

3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG

INCREASED DENSITY - 690417

2/20/2019 - GA8 - 31-7N-6W
X123130 SPRG
5 WELLS
CONTINENTAL RESOURCES INC.
1/25/2019

INCREASED DENSITY - 690418

2/20/2019 - GA8 - 19-7N-6W
X107496 SPRG
2 WELLS
CONTINENTAL RESOURCES INC.
1/25/2019

INCREASED DENSITY - 690419

2/20/2019 - GA8 - 30-7N-6W
X107496 SPRG
2 WELLS
CONTINENTAL RESOURCES INC.
1/25/2019

This permit does not address the right of entry or settlement of surface damages.

051 24578 PHELPS 2-31-30-19XHS

The duration of this permit is SIX 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 |
|---------------------------|--|
| MEMO | 2/4/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT |
| PENDING CD - 201810623 | 2/20/2019 - GA8 - (I.O.) 31, 30 & 19-7N-6W EST MULTIUNIT HORIZONTAL WELL X123130 SPRG 31-7N-6W X107496 SPRG 30 & 19-7N-6W 13.85% 31-7N-6W 43.70% 30-7N-6W 42.45% 19-7N-6W CONTINENTAL RESOURCES, INC. REC 1/8/2019 (M. PORTER) |
| PENDING CD - 201810624 | 2/20/2019 - GA8 - (I.O.) 31, 30 & 19-7N-6W X123130 SPRG 31-7N-6W X107496 SPRG 19 & 30-7N-6W X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO EXISTING/PROPOSED WELLS SHL (31-7N-6W) SW4 NE4 COMPL. INT. (31-7N-6W) NCT 1320' FSL, NCT 0' FNL, NCT 1320' FEL COMPL. INT. (30-7N-6W) NCT 0' FSL, NCT 0' FNL, NCT 1320' FEL COMPL. INT. (19-7N-6W) NCT 0' FSL, NCT 150' FNL, NCT 1320' FEL CONTINENTAL RESOURCES, INC. REC 1/8/2019 (M.PORTER) |
| PUBLIC WATER SUPPLY WELLS | 2/4/2019 - G71 - SKYVIEW TP - 2 PWS/WPA, NW/4 31-7N-6W |
| SPACING - 107496 | 2/20/2019 - GA8 - (640) 30 & 19-7N-6W EXT OTHER EXT 75509 SPRG, OTHERS |
| SPACING - 123130 | 2/20/2019 - GA8 - (640) 31-7N-6W EXT 116468/118211 SPRG, OTHERS |