

API NUMBER: 035 21575

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

Approval Date: 03/09/2022
Expiration Date: 09/09/2023

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 20 Township: 27N Range: 19E County: CRAIG

SPOT LOCATION: ☐ NW ☐ NE ☐ SE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1080 2305

Lease Name: FRED HARTLEY Well No: 24-20B Well will be 335 feet from nearest unit or lease boundary.
Operator Name: NEOK PRODUCTION COMPANY LLC Telephone: 9182735662 OTC/OCC Number: 21838 0

NEOK PRODUCTION COMPANY LLC
PO BOX 428
NOWATA, OK 74048-0428

FRED & TEDDE HARTLEY
P.O. BOX 1004
VINITA OK 74301

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

	Name	Code	Depth
1	BARTLESVILLE	404BRVL	302
2	MISSISSIPPI CHAT	401MSSCT	537
3	ARBUCKLE	169ABCK	952

Spacing Orders: No Spacing Location Exception Orders: No Exceptions Increased Density Orders: No Density

Pending CD Numbers: No Pending Working interest owners' notified: *** Special Orders: No Special

Total Depth: 1175 Ground Elevation: 862 Surface Casing: 0 Depth to base of Treatable Water-Bearing FM: 130

Alternate Casing Program

Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.

Under Federal Jurisdiction: No
Fresh Water Supply Well Drilled: No
Surface Water used to Drill: No

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. (Other) CBL REQUIRED

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: SENORA

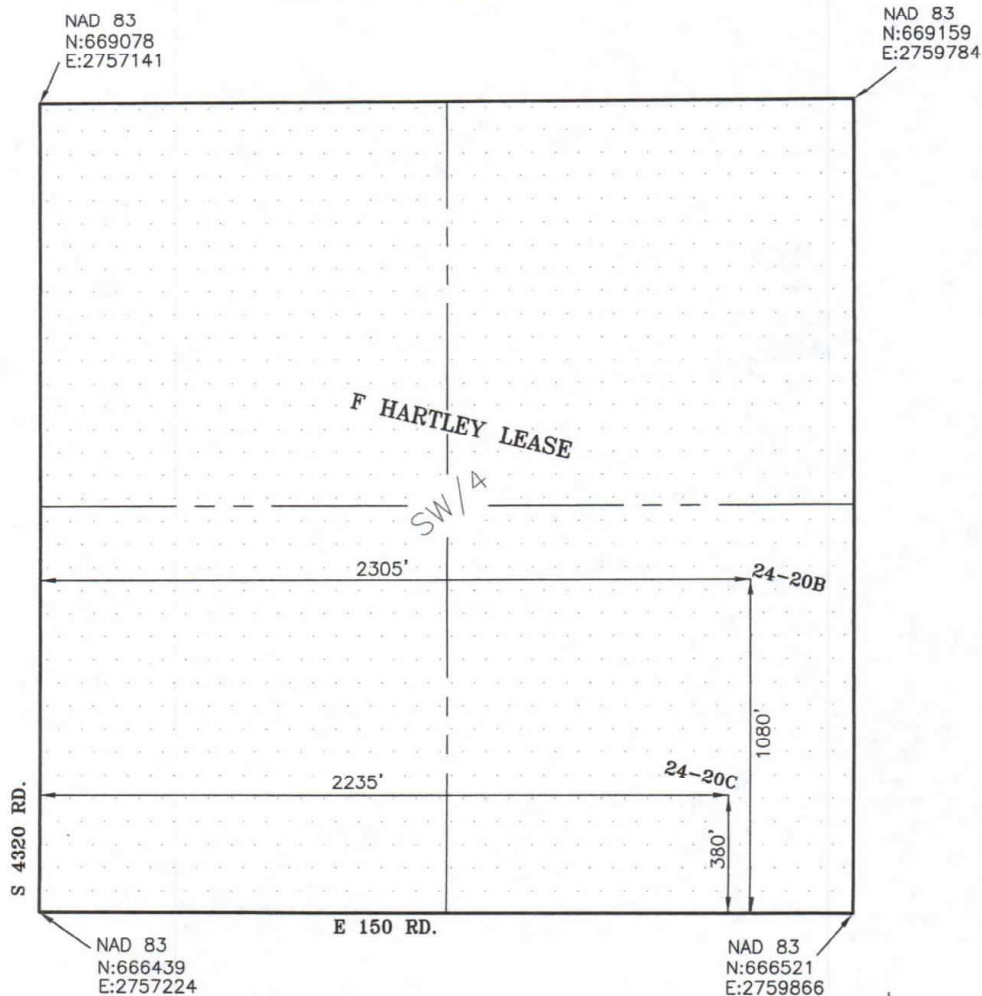
Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

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
ALTERNATE CASING	[3/8/2022 - G56] - APPROVED; COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C)
HYDRAULIC FRACTURING	<p>[3/8/2022 - G56] - 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: OCCWEB.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>
SPACING	[3/8/2022 - G56] - FORMATIONS UNSPACED; 160-ACRE LEASE (SW4)

WELL PLAT
(NOT A LAND OR BOUNDARY SURVEY)



F HARTLEY #24-20B:
1080 FEET FROM THE SOUTH LINE AND 2305 FEET FROM THE WEST LINE
OF THE SW/4 OF SECTION 20, T27N, R19E, CRAIG COUNTY, OKLAHOMA.
ELEVATION = 862'

LATITUDE: 36°48'13.1"
LONGITUDE: 95°17'52.8"

NAD 83
N:667589
E:2759498

F HARTLEY #24-20C:
380 FEET FROM THE SOUTH LINE AND 2235 FEET FROM THE WEST LINE
OF THE SW/4 OF SECTION 20, T27N, R19E, CRAIG COUNTY, OKLAHOMA.
ELEVATION = 885'

LATITUDE: 36°48'06.2"
LONGITUDE: 95°17'53.7"

NAD 83
N:666890
E:2759448

I, KALEB J. MCKINNON, LICENSED PROFESSIONAL LAND SURVEYOR NO. 1798 IN THE STATE OF OKLAHOMA, HAVE PREPARED THIS WELL PLAT. IT IS NOT A LAND OR BOUNDARY SURVEY PLAT. THE LOCATION OF WELL(S) SHOWN ON THIS PLAT WERE LOCATED PER THE INSTRUCTIONS BY THE CURRENT OPERATOR. I CERTIFY TO THE LOCATION OF THE WELL(S) SHOWN ON THIS PLAT ONLY. ALL OTHER ITEMS SHOWN ON THIS PLAT ARE FOR INFORMATIONAL PURPOSES.



SCALE: 1" = 500'
DATED: 2/1/2022

OPERATOR:
NEOK PRODUCTION CO. LLC.



SECTION 20, TOWNSHIP 27 NORTH,
RANGE 19 EAST, CRAIG COUNTY, OK.

MCKINNON LAND SURVEYING, LLC.

19482 US HIGHWAY 60, NOWATA, OK 74048
(918) 230-3927
EMAIL: MCKINNONLANDSURVEYING@GMAIL.COM
C.A. NO. 8511 EXP. 6/30/2023