

API NUMBER: 063 24888 B

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

Approval Date: 01/19/2023

Expiration Date: 07/19/2024

Multi Unit Oil & Gas

PERMIT TO DEEPEN

WELL LOCATION: Section: 12 Township: 8N Range: 11E County: HUGHES

SPOT LOCATION: ☐ NW ☐ NE ☐ NE ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2447 2000

Lease Name: HOMSEY Well No: 2-12/13/24H Well will be 2000 feet from nearest unit or lease boundary.

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

BLACKBEARD OPERATING LLC
1751 RIVER RUN STE 405
FORT WORTH, TX 76107-6646

MICHAEL T. BOSE & CHERYL A. BOSE
7056 HACKBERRY COURT
TULSA OK 74132

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	4493
2	WOODFORD	319WDFD	5014
3	SYLVAN	203SLVN	5084

Spacing Orders: 668135
668322
728716

Location Exception Orders: 728717

Increased Density Orders: 728687
728688
728686

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 16250 Ground Elevation: 961

Surface Casing: 1070 IP

Depth to base of Treatable Water-Bearing FM: 220

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:

F. Haul to Commercial soil farming facility	Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 551649
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: CALVIN

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: CALVIN

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: 24	Township: 8N	Range: 11E	Meridian: IM	Total Length: 8892
County: HUGHES				Measured Total Depth: 16250
Spot Location of End Point: SE SE SW NW				True Vertical Depth: 5084
Feet From: SOUTH		1/4 Section Line: 2540		End Point Location from
Feet From: WEST		1/4 Section Line: 1220		Lease, Unit, or Property Line: 1220

NOTES:

Category	Description
HYDRAULIC FRACTURING	<p>[1/18/2023 - 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>
INCREASED DENSITY - 728686	<p>[1/19/2023 - G56] - 12-8N-11E X668135 WDFD 3 WELLS BLACKBEARD OP, LLC 9/23/2022</p>
INCREASED DENSITY - 728687	<p>[1/19/2023 - G56] - 13-8N-11E X668322 WDFD 2 WELLS BLACKBEARD OP, LLC 9/23/2022</p>
INCREASED DENSITY - 728688	<p>[1/19/2023 - G56] - 24-8N-11E X668322 WDFD 2 WELLS BLACKBEARD OP, LLC 9/23/2022</p>
LOCATION EXCEPTION - 728717	<p>[1/19/2023 - G56] - (I.O.) 12, 13 & 24-8N-11E X668135 MSSP, WDFD, SLVN, OTHER 12-8N-11E X668322 MSSP, WDFD, SLVN, OTHER 13 & 24-8N-11E COMPL INT (12-8N-11E) NCT 880' FSL, NCT 0' FSL, NCT 1220' FWL COMPL INT (13-8N-11E) NCT 0' FNL, NCT 0' FSL, NCT 1220' FWL COMPL INT (24-8N-11E) NCT 0' FNL, NCT 2540' FSL, NCT 1220' FWL BLACKBEARD OP, LLC 9/26/2022</p>
MEMO	<p>[1/18/2023 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT</p>
SPACING - 668135	<p>[1/19/2023 - G56] - (640)(HOR) 12-8N-11E EXT 659541 MSSP, WDFD, SLVN, OTHER COMPL INT (MSSP) NLT 660' FB COMPL INT (SLVN) NLT 330' FB COMPL INT (WDFD) NLT 165' FNL/FSL, NLT 330' FEL/FWL</p>
SPACING - 668322	<p>[1/19/2023 - G56] - (640)(HOR) 13 & 24-8N-11E X659541 MSSP, WDFD, SLVN, OTHER COMPL INT (MSSP) NLT 660' FB COMPL INT (SLVN) NLT 330' FB COMPL INT (WDFD) NLT 165' FNL/FSL, NLT 330' FEL/FWL</p>
SPACING - 728716	<p>[1/19/2023 - G56] - (I.O.) 12, 13 & 24-8N-11E ESTABLISH MULTIUNIT HORIZONTAL WELL X668135 MSSP, WDFD, SLVN, OTHER 12-8N-11E X668322 MSSP, WDFD, SLVN, OTHER 13 & 24-8N-11E (MSSP, SLVN ARE ADJACENT COMMON SOURCES OF SUPPLY TO WDFD) 10% 12-8N-11E 59% 13-8N-11E 31% 24-8N-11E NO OP NAMED 9/26/2022</p>