

API NUMBER: 137 27685

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

Approval Date: 10/24/2022

Expiration Date: 04/24/2024

Straight Hole

Oil & Gas

## PERMIT TO DRILL

WELL LOCATION: Section: 18 Township: 1S Range: 5W County: STEPHENS

SPOT LOCATION: ☐ NW ☐ SE ☐ SW ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 346 1797

Lease Name: SLEDGE C Well No: 8 Well will be 346 feet from nearest unit or lease boundary.

Operator Name: C E HARMON OIL INC Telephone: 9186638515 OTC/OCC Number: 10266 0

C E HARMON OIL INC  
5555 E 71ST ST STE 9300  
TULSA, OK 74136-6559

RON ORR  
175699 OLD HWY #7  
DUNCAN OK 73533

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

|   | Name    | Code     | Depth |
|---|---------|----------|-------|
| 1 | DEESE 3 | 404DEES3 | 3880  |
| 2 | DEESE 4 | 404DEES4 | 4130  |

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: 4700

Ground Elevation: 1110

Surface Casing: 650

Depth to base of Treatable Water-Bearing FM: 550

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

### Approved Method for disposal of Drilling Fluids:

|                                    |   |
|------------------------------------|---|
| E. Haul to Commercial pit facility | Sec. 16 Twn. 5N Rng. 2W Cnty. 87 Order No: 589782     |
| H. (Other)                         | CLOSED SYSTEM=STEEL PITS (REQUIRED - OKNONAME 137083) |

### PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3000

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: PURCELL

### 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  |
|----------------------|--|
| HYDRAULIC FRACTURING | <p>[10/21/2022 - 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 FRACTURING OPERATIONS. FORM 6000NHF SHALL BE FOUND HERE: <a href="https://oklahoma.gov/occ/divisions/oil-gas/ogcd-forms">HTTPS://OKLAHOMA.GOV/OCC/DIVISIONS/OIL-GAS/OGCD-FORMS</a>; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p> |
| SPACING              | [10/24/2022 - G56] - FORMATIONS UNSPACED; 80-ACRE LEASE (S2 SE4)   |