

API NUMBER: 017 25688

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

Approval Date: 06/16/2021
Expiration Date: 12/16/2022

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 04 Township: 12N Range: 7W County: CANADIAN

SPOT LOCATION: ☐ NE ☐ NW ☐ NW ☐ NW
FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 287 534

Lease Name: SOUTHERN STAR 33-13N-7W Well No: 7MH Well will be 287 feet from nearest unit or lease boundary.
Operator Name: PALOMA OPERATING CO INC Telephone: 7136508509 OTC/OCC Number: 23932 0

PALOMA OPERATING CO INC
1100 LOUISIANA ST STE 5100
HOUSTON, TX 77002-5220

MACK CLAYTON/MCVEDA, LLC
1333 SOUTH NELMS DRIVE
MUSTANG OK 73064

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

Name	Code	Depth
1 MISSISSIPPIAN	359MSSP	8900

Spacing Orders: 141058

Location Exception Orders: 718457

Increased Density Orders: 705964
715265

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special Orders

Total Depth: 17000

Ground Elevation: 1320

Surface Casing: 550

Depth to base of Treatable Water-Bearing FM: 300

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

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 21-37651

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: 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? 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

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

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.

HORIZONTAL HOLE 1

Section: 33	Township: 13N	Range: 7W	Meridian: IM	Total Length: 5300
County: CANADIAN				Measured Total Depth: 17000
Spot Location of End Point: NW NE NW NE				True Vertical Depth: 9500
Feet From: NORTH		1/4 Section Line: 65		End Point Location from
Feet From: EAST		1/4 Section Line: 1840		Lease, Unit, or Property Line: 65

NOTES:

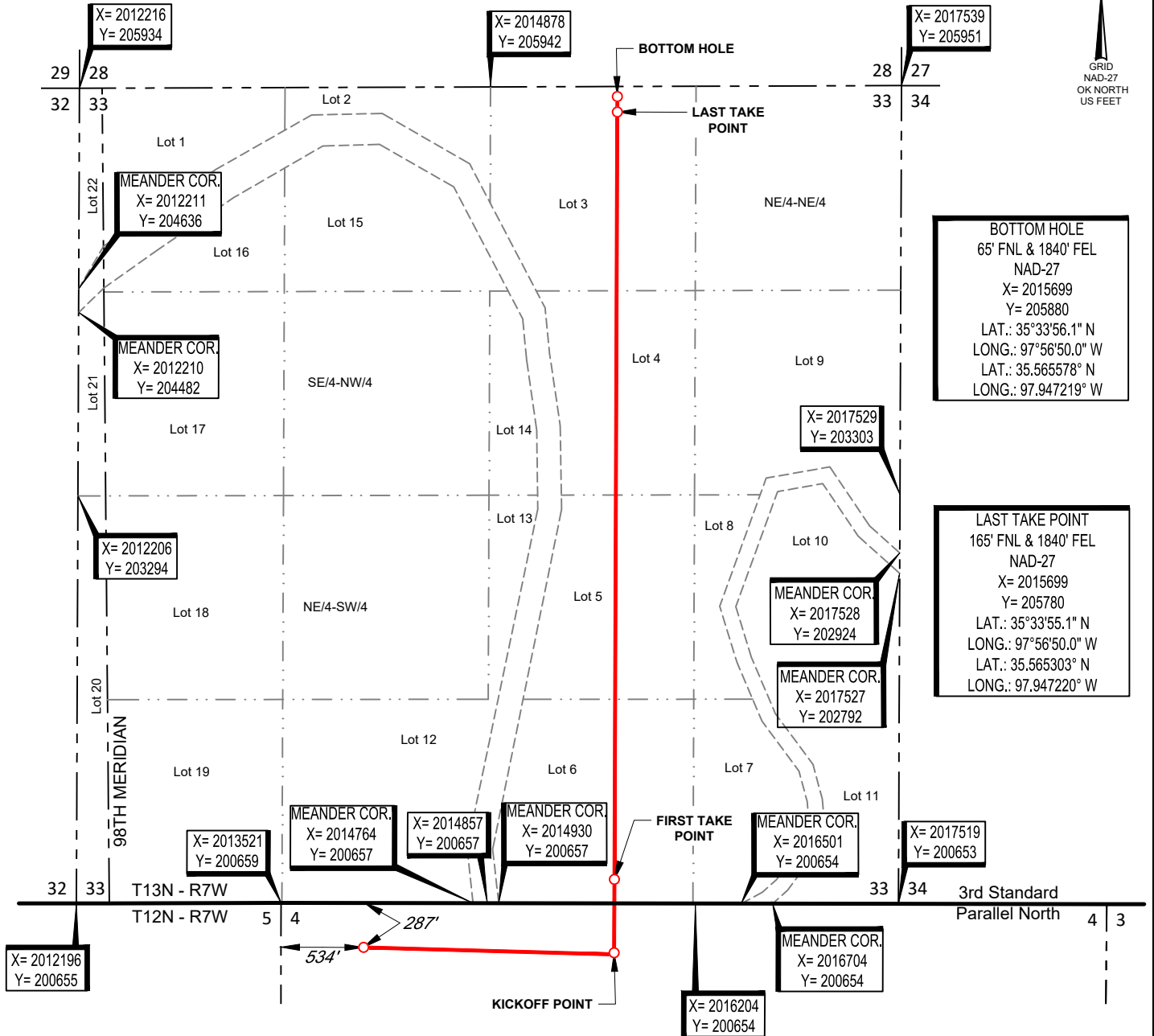
Category	Description
HYDRAULIC FRACTURING	<p>[6/14/2021 - GC2] - OCC 165:10-3-10 REQUIRES:</p> <p>1) NOTICE SHALL BE GIVEN AT LEAST 5 BUSINESS DAYS PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS ON A HORIZONTAL WELL TO OPERATORS PRODUCING WELLS WITHIN 1 MILE OF THE COMPLETION INTERVAL OF THE 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 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>
INCREASED DENSITY - 705964	<p>[6/16/2021 - GC2] - 33-13N-7W X141058 MSSP 5 WELLS PALOMA OPERATING CO, INC 12-5-2019</p>
INCREASED DENSITY - 715265	[6/16/2021 - GC2] - EXT OF TIME FOR ORDER 705964 UNTIL 12-5-2021
LOCATION EXCEPTION - 718457	<p>[6/16/2021 - GC2] - (I.O.) 33-13N-7W X141058 MSSP X165:10-3-28(C)(2)(B) MAY BE CLOSER THAN 600' TO LOTTIE JONES 33-4 COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 450' FEL PALOMA OPERATING COMPANY 5-20-2021</p>
MEMO	[6/14/2021 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - NORTH CANADIAN RIVER), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PUBLIC WATER SUPPLY	[6/14/2021 - GC2] - EL RENO - 19 WELLS W/2 33-13N-7W
SPACING - 141058	<p>[6/16/2021 - GC2] - (640) 33-13N-7W EXT OTHERS EXT 124533 MSSP</p>
SURFACE CASING	[6/14/2021 - GC2] - NO DEEP SURFACE CASING DUE TO BEING INSIDE PUBLIC WATER SUPPLY BOUNDARY

LEGEND

SECTION LINE
TOWNSHIP LINE
16TH LINE
PROPOSED WELL BORE

WELL LOCATION
SOUTHERN STAR 33-13N-7W 7MH
PALOMA OPERATING COMPANY, INC.
SECTION 4, TOWNSHIP 12N, RANGE 7W, I.M.
CANDIAN COUNTY, OKLAHOMA

SCALE: 1" = 1000'
0' 500' 1000'



SURFACE LOCATION
287' FNL & 534' FWL
NAD-27
X= 2014055
Y= 200371
LAT.: 35°33'01.6" N
LONG.: 97°57'09.9" W
LAT.: 35.550446° N
LONG.: 97.952756° W
ELEV.: 1320'

FIRST TAKE POINT
165' FSL & 1840' FEL
NAD-27
X= 2015680
Y= 200820
LAT.: 35°33'06.0" N
LONG.: 97°56'50.3" W
LAT.: 35.551678° N
LONG.: 97.947292° W

KICKOFF POINT
330' FNL & 2157' FWL
NAD-27
X= 2015678
Y= 200325
LAT.: 35°33'01.1" N
LONG.: 97°56'50.3" W
LAT.: 35.550318° N
LONG.: 97.947299° W



SURVEYOR'S CERTIFICATE:

I, THOMAS L. HOWELL, AN OKLAHOMA LICENSED LAND SURVEYOR AND AN AUTHORIZED AGENT OF TOPOGRAPHIC LAND SURVEYORS, DO HEREBY CERTIFY TO THE INFORMATION SHOWN HEREIN.

Thomas L. Howell
Thomas L. Howell, P.L.S. No. 1433
Authorized Agent of Topographic Land Surveyors

 **TOPOGRAPHIC**
LOYALTY INNOVATION LEGACY
13800 WIRELESS WAY • OKLAHOMA CITY, OKLAHOMA 73134
TELEPHONE: (405) 843-4847 OR (800) 654-3219
CERTIFICATE OF AUTHORIZATION NO. 1292 LS
WWW.TOPOGRAPHIC.COM

LEASE NAME & WELL NO. SOUTHERN STAR 33-13N-7W 7MH
SECTION 4 TWP 12N RGE 7W MERIDIAN I.M.
COUNTY CANDIAN STATE OKLAHOMA
DESCRIPTION 287' FNL & 534' FWL

SOUTHERN STAR
33-13N-7W 7MH

REVISION:

INT	DATE

DATE: 02/11/2021

FILE:LO_SOUTHERN_STAR_33-13N-7W_7MH_REV1

DRAWN BY: KEU

SHEET : 1 OF 2

NOTES:

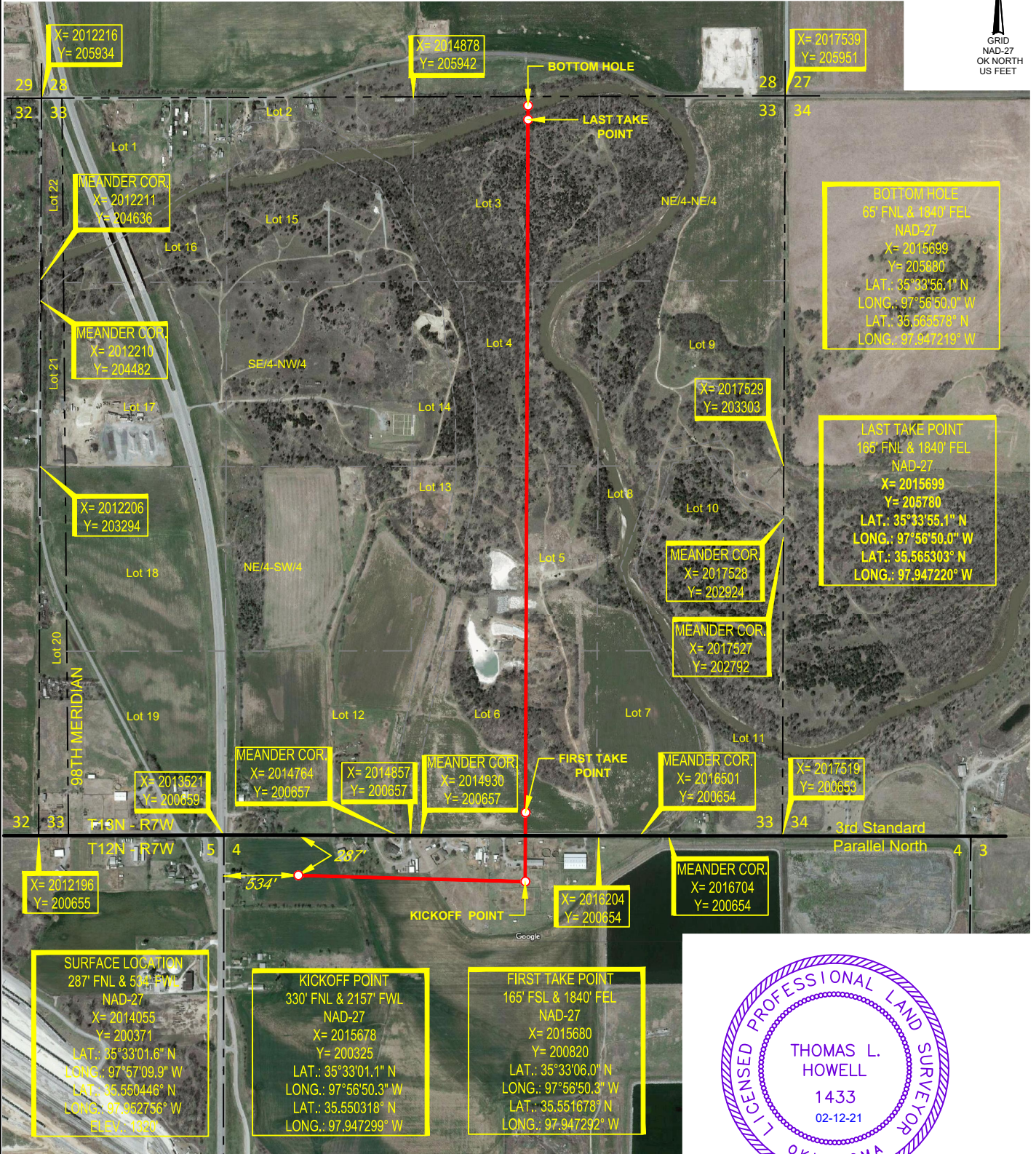
1. ORIGINAL DOCUMENT SIZE: 8.5" X 14"
2. ALL BEARINGS SHOWN HEREON ARE GRID ACCORDING TO THE RESULTS OF STATIC GPS OBSERVATIONS PROCESSED THROUGH OPUS ON THE CONTROL POINT OCCUPIED WHILE MEASURING SAID LINES. OPUS RESULTS ARE CORRELATED TO OKLAHOMA, NORTH ZONE, NAD 27 - HORIZONTAL AND THE NATIONAL GEODETIC VERTICAL DATUM OF 1929.
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT/LOCATION, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY PALOMA OPERATING COMPANY, INC. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT/LOCATION, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. KICKOFF POINT, FIRST TAKE POINT, LAST TAKE POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR AS SHOWN AND ARE NOT SURVEYED LOCATIONS.
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LEGEND

SECTION LINE
TOWNSHIP LINE
16TH LINE
PROPOSED WELL BORE

WELL LOCATION
SOUTHERN STAR 33-13N-7W 7MH
PALOMA OPERATING COMPANY, INC.
SECTION 4, TOWNSHIP 12N, RANGE 7W, I.M.
CANDIAN COUNTY, OKLAHOMA

SCALE: 1" = 1000'
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LEASE NAME & WELL NO. SOUTHERN STAR 33-13N-7W 7MH

SECTION 4 TWP 12N RGE 7W MERIDIAN I.M.
COUNTY CANDIAN STATE OKLAHOMA
DESCRIPTION 287' FNL & 534' FWL

SOUTHERN STAR
33-13N-7W 7MH

REVISION:

INT DATE

DATE: 02/11/2021

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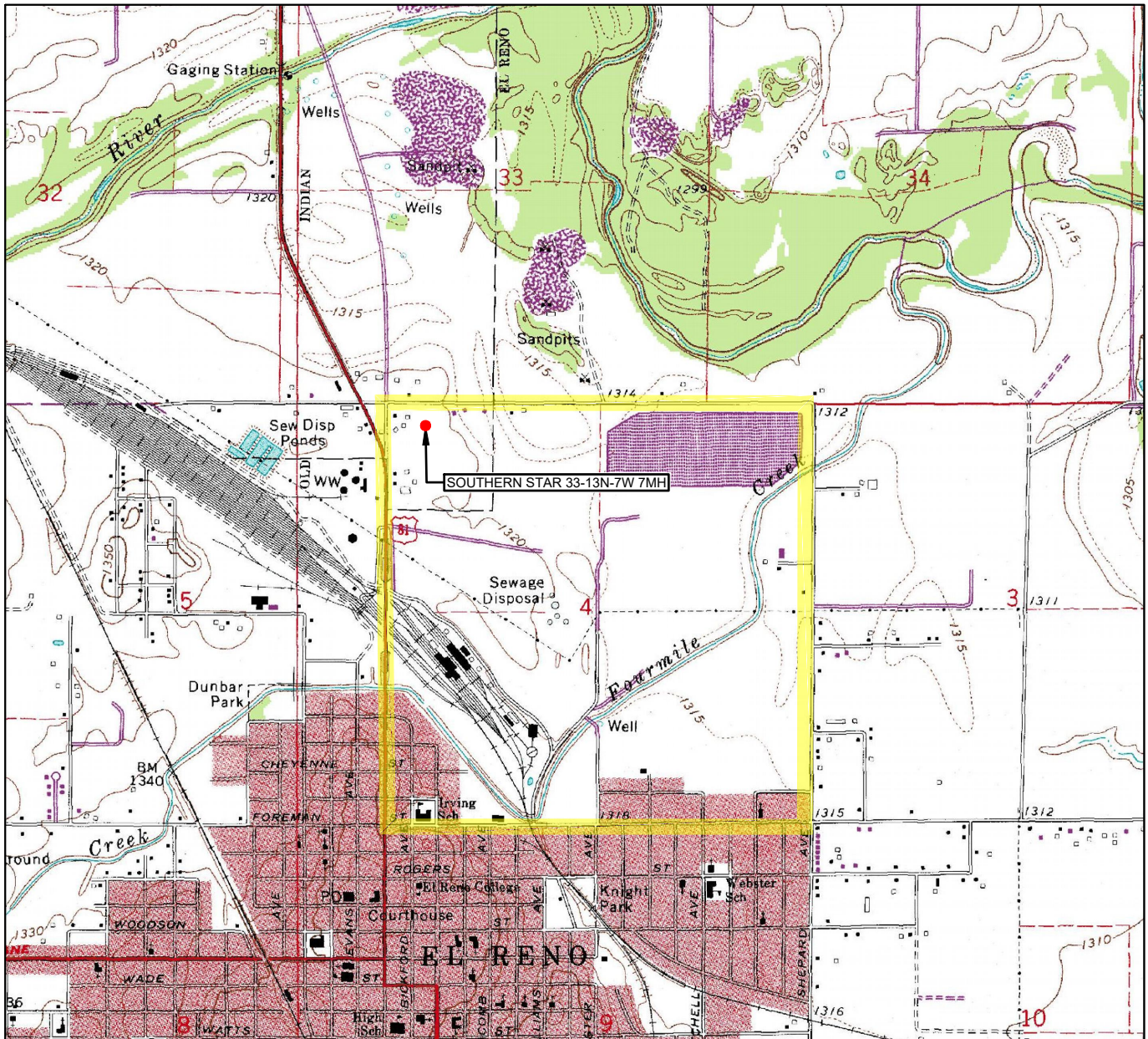
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SHEET : 2 OF 2

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LOCATION & ELEVATION VERIFICATION MAP



LEASE NAME & WELL NO. SOUTHERN STAR 33-13N-7W 7MH

SECTION 4 TWP 12N RGE 7W MERIDIAN I.M.

COUNTY CANDIAN STATE OKLAHOMA

DESCRIPTION 287' FNL & 534' FWL

ELEVATION 1320'



SCALE: 1" = 2000'
0' 1000' 2000'

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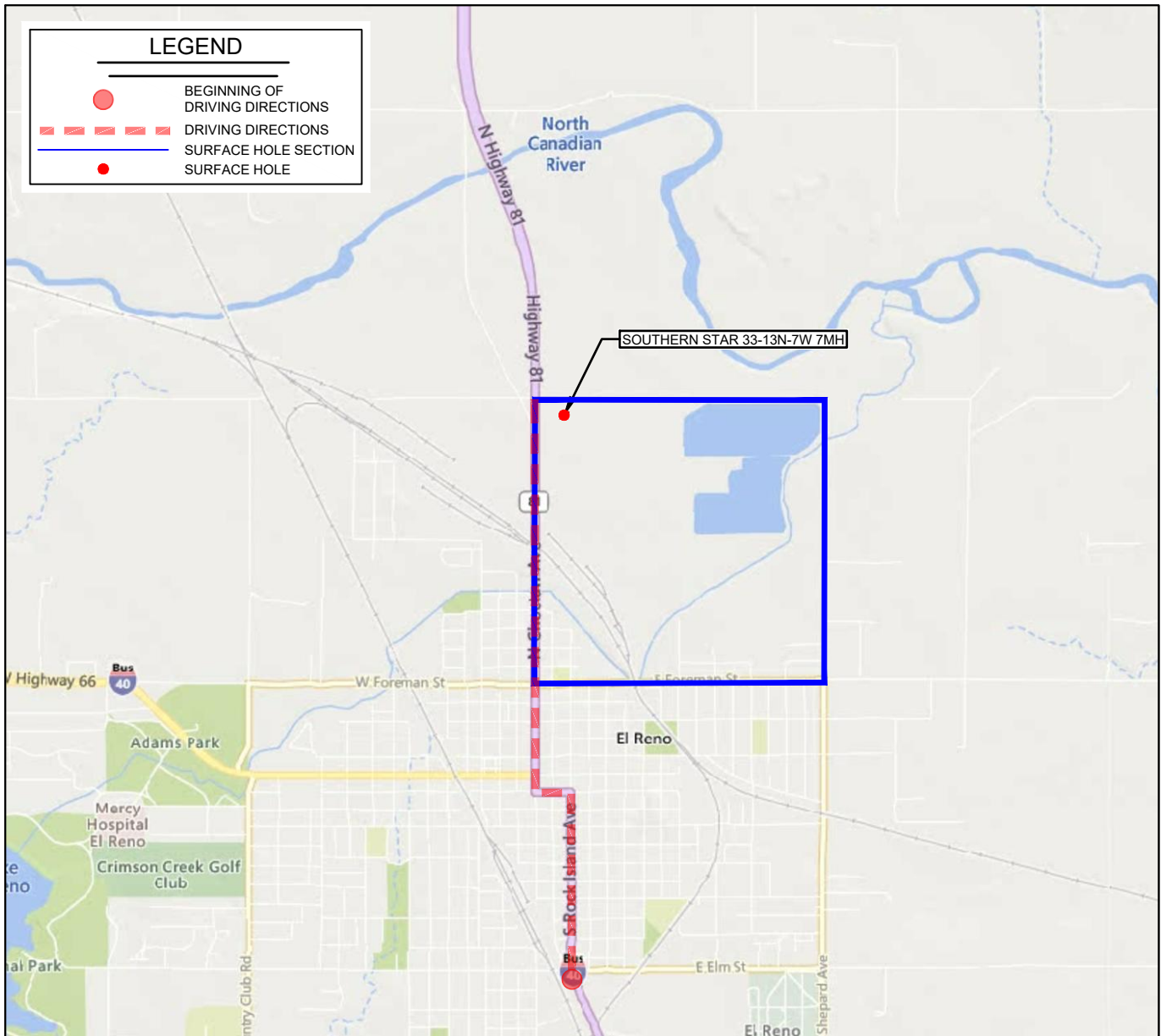
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VICINITY MAP



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SECTION 4 TWP 12N RGE 7W MERIDIAN I.M.

COUNTY CANDIAN STATE OKLAHOMA

DESCRIPTION 287' FNL & 534' FWL

DISTANCE & DIRECTION

FROM EL RENO, OK, GO ± 2.0 MI. NORTH ON US-81 TO THE
NORTHWEST CORNER OF SECTION 4-T12N-R7W.

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