

API NUMBER: 121 24904

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

Approval Date: 07/05/2022

Expiration Date: 01/05/2024

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 30 Township: 4N Range: 16E County: PITTSBURG

SPOT LOCATION: S2 S2 N2 SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1500 1320

Lease Name: PENFIELD Well No: 2-30 Well will be 1320 feet from nearest unit or lease boundary.

Operator Name: OXLEY ENERGY LLC Telephone: 7134676427 OTC/OCC Number: 24290 0

OXLEY ENERGY LLC
PO BOX 19545
HOUSTON, TX 77224-9545

SONDRA HATCHER
536 KEENEL ROAD
MCALESTER OK 74501

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

| Name | Code | Depth |
|-----------------------|----------|-------|
| 1 ATOKA MID (RED OAK) | 403AKMRO | 6500 |

Spacing Orders: 162419

Location Exception Orders: No Exceptions

Increased Density Orders: 722155

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 10500 Ground Elevation: 667

Surface Casing: 400

Depth to base of Treatable Water-Bearing FM: 150

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: 22-38419

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: atoka

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is: NON HSA

Pit Location Formation: ATOKA

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>[7/1/2022 - 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 HYDRAULIC FRACTURING OPERATIONS. FORM 6000NHF SHALL BE USED AND IS FOUND AT THIS LINK: OCCEWEB.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 - 722155 | <p>[7/5/2022 - GB1] - 30-4N-16E X162419 AKMRO 1 WELL OXLEY ENERGY, LLC 12/13/2021</p> |
| MEMO | <p>[7/1/2022 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - BRUSHY CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT</p> |
| SPACING - 162419 | <p>[7/5/2022 - GB1] - (640) 30-4N-16E EXT OTHERS EXT 82498 AKMRO EST OTHERS</p> |