

API NUMBER: 121 24904 A

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

Amend reason: OCC CORRECTION TO ADD NO DSC MEMO

AMEND 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

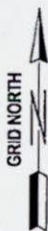
NOTES:

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	[7/1/2022 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - BRUSHY CREEK), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 162419	<p>[7/5/2022 - GB1] - (640) 30-4N-16E EXT OTHERS EXT 82498 AKMRO EST OTHERS</p>
SURFACE CASING	[7/5/2022 - GB1] - NO DEEP SURFACE CASING - LOST CIRCULATION IN 25-4N-15E



P.O. BOX 8151 • Van Buren, AR 72956
Office: 479 474 7916 • Cell: 479 651 1008
Surveying & Engineering • hands-inc.com



T04N
R15E
S24
S25

T04N
R16E
S19
S30

T04N
S19
S30

R16E
S20
S29

NADEL AND GUSSMAN LLC
"Loveless No. 1-30"



2495'

OXLEY ENERGY, LLC.
"PENFIELD 2-30"
Surface Hole
(See Inset Sheet 2)

MUSTANG FUEL CORPORATION
"Penfield No. 1-30"

2595'

1500'

T04N
R15E
S25
S36

T04N
R16E
S30
S31

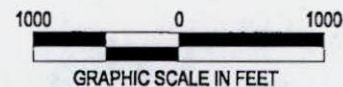
T04N
S30
S31

R16E
S29
S32



Ivan L. Hoffman, Jr.
Professional Land Surveyor No. 1041
Hoffman & Associates, Inc.
Surveying & Mapping
Certificate of Authorization No.
CA 1544 (PE/LS)

Ivan L. Hoffman, Jr. 06-20-2022



DRIVING DIRECTIONS:

FROM THE INTERSECTION OF U.S. HIGHWAY 270 & OKLAHOMA HIGHWAY 63 AT HAILEYVILLE OKLAHOMA; TRAVEL WEST ON OKLAHOMA HIGHWAY 63, 5.2 MILES TO SOUTH BACHE ROAD; TURN LEFT (SOUTH) AND TRAVEL 2.9 MILES TO SCOTT LANE; TURN RIGHT (WEST) AND TRAVEL 0.8 MILES TO FIELD ROAD ON RIGHT; TURN RIGHT (NORTH) AND TRAVEL 0.3 MILES TO BARN; GAS WELL LOCATION IS 1500' NORTHEAST IN PASTURE.

DISTANCE / DIRECTION FROM NEAREST TOWN:
±5.7 MILES SOUTHWEST FROM HAILEYVILLE, OK 74546

BOTTOM HOLE LOCATION:

N/A

GEOGRAPHIC (NAD27):

N/A

STATE PLANE (NAD27, OK SOUTH, US FEET):

N/A

CERTIFICATION:

I HEREBY CERTIFY THAT THE ABOVE DESCRIBED WELL LOCATION WAS SURVEYED AND STAKED ON THE GROUND AS SHOWN JUNE 17, 2022.

LEGEND:

- PROPOSED SURFACE HOLE / BOTTOM HOLE
- ⊙ EXISTING / PRODUCING WELLHEAD
- ⊙ ABANDONED WELL
- ⊙ PLUGGED & ABANDONED WELL
- △ CUT CONDUCTOR

COMPANY:

OXLEY ENERGY, LLC

WELL NAME: PENFIELD
WELL #: 2-30

LOCATION: SECTION 30, T-04-N, R-16-E
PITTSBURGH COUNTY, OKLAHOMA

PROJECT COORDINATE SYSTEM ESTABLISHED
WITH GPS RECEIVER AND RTK METHOD.

SURFACE HOLE LOCATION:
1500 FEET FROM THE SOUTH SECTION LINE
1320 FEET FROM THE WEST SECTION LINE

ELEVATION MSL
667.0' NAVD 88

GEOGRAPHIC (NAD27):
LATITUDE: 34.786445°
LONGITUDE: -95.887154°
STATE PLANE (NAD27, OK SOUTH, US FEET):
NORTHING: 539,899.311
EASTING: 2,700,414.041

REVISIONS:

DATE: 06-20-2022
BK: CXXX **PG:** XX
DRAWN BY: S SMITH
SCALE: 1" = 1000'
DRAWING NO. 60580
SHEET NO. 1 OF 3