

API NUMBER: 017 25568 B

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

Approval Date: 12/03/2019
Expiration Date: 06/03/2021

Multi Unit Oil & Gas

Amend reason: UPDATE TOTAL DEPTH & SOIL FARMING
PERMIT NO.

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 22 Township: 12N Range: 8W County: CANADIAN

SPOT LOCATION: N2 SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 335 2310

Lease Name: CROOKED PINE 22_15-12N-8W Well No: 4MHX Well will be 335 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

PATRICIA HARTWIG
3305 WINDSOR BOULEVARD
OKLAHOMA CITY OK 73122

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

	Name	Code	Depth
1	MISSISSIPPI	351MISS	10553
2	MISSISSIPPIAN	359MSSP	10670

Spacing Orders: 143998 Location Exception Orders: 705401 Increased Density Orders: 704470
688916 706279
704467

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special Orders

Total Depth: 23500 Ground Elevation: 1437

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 340

Deep surface casing has been approved

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: 21-37575	
F. Haul to Commercial soil farming facility	Sec. 27 Twn. 17N Rng. 9W Cnty. 73 Order No: 659856
H. (Other)	SEE MEMO
G. Haul to recycling/re-use facility	Sec. 22 Twn. 16N Rng. 9W Cnty. 73 Order No: 647741

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 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: DOG CREEK

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: DOG CREEK

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: 15	Township: 12N	Range: 8W	Meridian: IM	Total Length: 10155
County: CANADIAN				Measured Total Depth: 23500
Spot Location of End Point: NW	NE	NW	NE	True Vertical Depth: 10670
Feet From: NORTH	1/4 Section Line: 65		End Point Location from	
Feet From: EAST	1/4 Section Line: 1900		Lease, Unit, or Property Line: 65	

NOTES:

Category	Description
DEEP SURFACE CASING	11/12/2019 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	<p>[4/8/2021 - 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 - 704470 (201904574)	12/3/2019 - GC2 - 15-12N-8W X143998 MISS 4 WELLS PALOMA PARTNERS IV, LLC 10-30-2019
INCREASED DENSITY - 706279 (201904575)	2/26/2019 - GC2 - 22-12N-8W X688916 MSSP 4 WELLS NO OP. NAMED 12-12-2019
LOCATION EXCEPTION - 705401 (201904571)	12/3/2019 - GC2 - (I.O.) 15 & 22-12N-8W X143998 MISS 15-12N-8W X688916 MSSP 22-12N-8W COMPL. INT. (22-12N-8W) NCT 165' FSL, NCT 0' FNL, NCT 650' FEL COMPL. INT. (15-12N-8W) NCT 0' FSL, NCT 165' FNL, NCT 650' FEL PALOMA PARTNERS IV, LLC 11-20-2019
MEMO	11/12/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 143998	12/3/2019 - GC2 - (640) 15-12N-8W EXT 122864/137298 MISS EXT OTHER
SPACING - 688916	12/3/2019 - GC2 - (640)(HOR) 22-12N-8W EST MSSP, OTHER COMPL. INT. (MSSP) NCT 660' FB
SPACING - 704467 (201904567)	12/3/2019 - GC2 - (I.O.) 15 & 22-12N-8W EST MULTIUNIT HORIZONTAL WELL X143998 MISS 15-12N-8W X688916 MSSP 22-12N-8W 50% 15-12N-8W 50% 22-12N-8W PALOMA PARTNERS IV, LLC 10-30-2019

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017 25568 CROOKED PINE 22_15-12N-8W 4MHX