

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

API NUMBER: 011 24196

Approval Date: 03/20/2019

Expiration Date: 09/20/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 07 Twp: 19N Rge: 12W

County: BLAINE

SPOT LOCATION: ☐ SW ☐ SW ☐ SW ☐ SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 232 276

Lease Name: CLUSTER 19-12-07

Well No: 1H

Well will be 232 feet from nearest unit or lease boundary.

Operator Name: STAGHORN PETROLEUM II LLC

Telephone: 9185842558

OTC/OCC Number: 24056 0

STAGHORN PETROLEUM II LLC
1 W 3RD ST STE 1000
TULSA, OK 74103-3500

DOUG & KIMBERLY JECH
920 W. OVERSTREET
KINGFISHER OK 73750

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	8892	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 679607

Location Exception Orders: 681140

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14000

Ground Elevation: 1650

Surface Casing: 600

Depth to base of Treatable Water-Bearing FM: 40

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

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

PERMIT NO: 19-36336

H. SEE MEMO

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX 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.

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 360000 Average: 325000

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 07 Twp 19N Rge 12W County BLAINE

Spot Location of End Point: NW NW NE NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 1580

Depth of Deviation: 8655

Radius of Turn: 477

Direction: 10

Total Length: 4596

Measured Total Depth: 14000

True Vertical Depth: 8911

End Point Location from Lease,
Unit, or Property Line: 165

Additional Surface Owner	Address	City, State, Zip
DURHAM RANCH, LLC	254315 EAST 600 ROAD	OKEENE, OK 73763
GERALD MCMULLIN, TRUSTEE	1003 TEAL RIDGE LANE	KINGFISHER, OK 73750
RONALD & TRACY WESTFAHL	1001 WEST OKLAHOMA AVENUE	OKEENE, OK 73763
GERALD W MCMULLIN, TRUSTEE		

Notes:

Category

Description

DEEP SURFACE CASING

3/6/2019 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

3/6/2019 - G71 - OCC 165:10-3-10 REQUIRES:

1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;

2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCWEB.COM/OG/OGFORMS.HTML; AND,

3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG

INTERMEDIATE CASING

3/6/2019 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES

This permit does not address the right of entry or settlement of surface damages.

011 24196 CLUSTER 19-12-07 1H

The duration of this permit is SIX 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
LOCATION EXCEPTION - 681140	3/20/2019 - G75 - (I.O.) 7-19N-12W X679607 MSSP COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 660' FWL STAGHORN PETRO. II, LLC 8-8-2018
MEMO	3/6/2019 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
SPACING - 679607	3/20/2019 - G75 - (640)(HOR) 7-19N-12W EXT 676232 MSSP COMPL. INT. NLT 660' FB (COEXIST SP. ORDER # 35526 UNCCR & ORDER # 106317 MNNG, MSSLM)



Well Location Plat

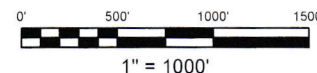
Sec. 7-19N-12W I.M.

Operator: STAGHORN PETROLEUM, LLC
Lease Name and No.: CLUSTER 19-12-07 1H
Footage: 232' FSL - 276' FWL Gr. Elevation: 1650'
Section: 7 Township: 19N Range: 12W I.M.
County: Blaine State of Oklahoma
Terrain at Loc.: Location fell in timber.

API 011-24196



All bearings shown
are grid bearings.

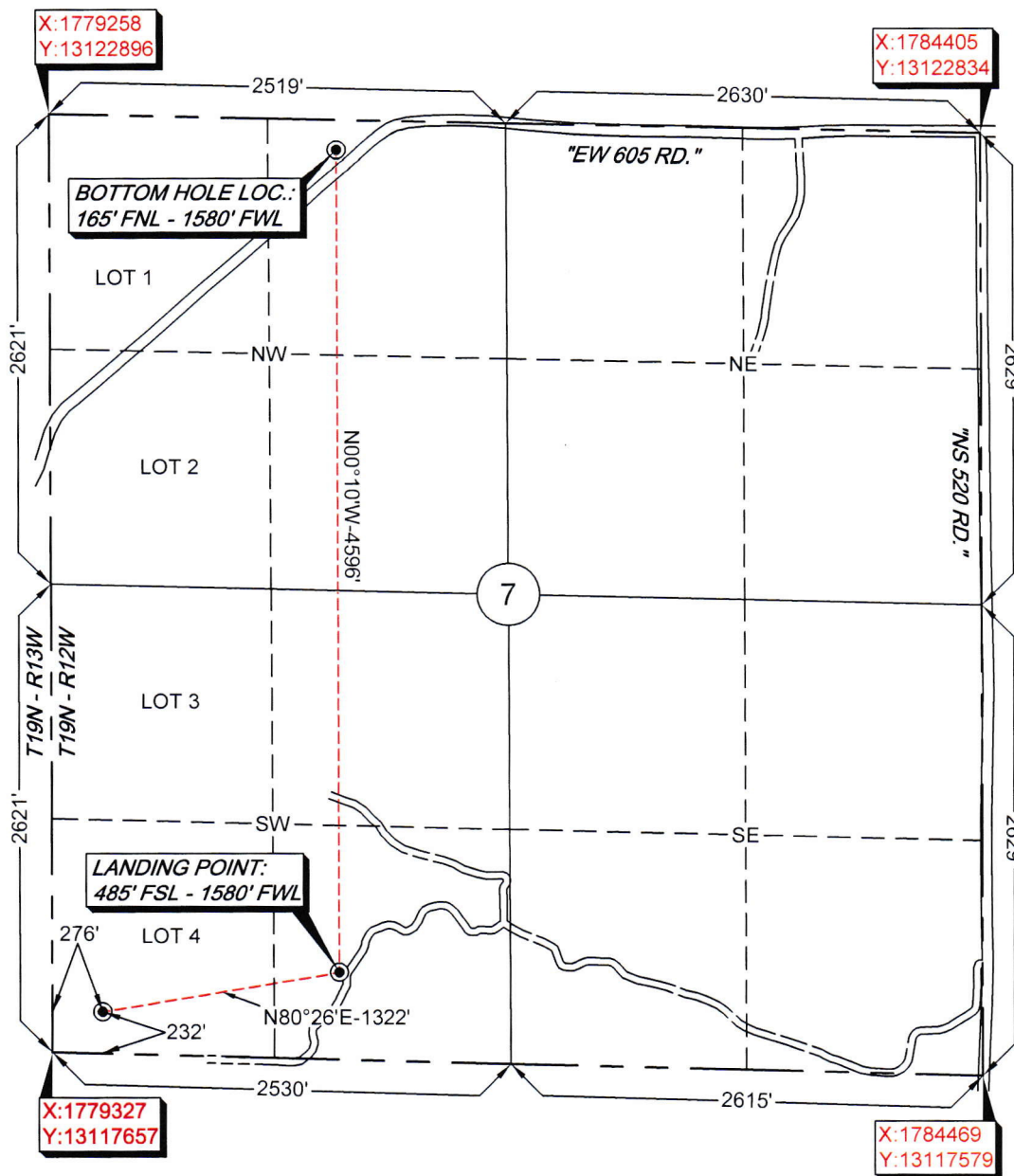


GPS DATUM
NAD 83
NAD 27
UTM - ZONE 14

Surface Hole Loc.:
Lat: 36°07'50.40"N
Lon: 98°31'44.02"W
Lat: 36.13062795
Lon: -98.52853470
X:1779600
Y:13117885

Landing Point:
Lat: 36°07'52.64"N
Lon: 98°31'28.14"W
Lat: 36.13125130
Lon: -98.52412406
X:1780900
Y:13118118

Bottom Hole Loc.:
Lat: 36°08'38.09"N
Lon: 98°31'28.60"W
Lat: 36.14387701
Lon: -98.52425225
X:1780840
Y:13122712



-Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.
-NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey.
-Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

Survey and plat by:

Arkoma Surveying and Mapping, PLLC
P.O. Box 238 Wilburton, OK 74578
Ph. 918-465-5711 Fax 918-465-5030
Certificate of Authorization No. 5348
Expires June 30, 2020

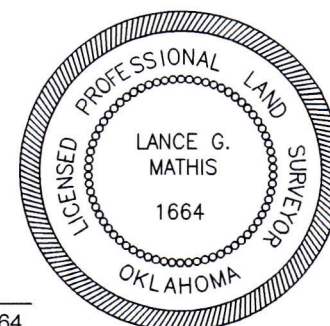
Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

LANCE G. MATHIS

08/15/18

OK LPLS 1664



Invoice #7612-B

Date Staked: 08/13/18 By: R.L.
Date Drawn: 08/14/18 By: C.K.