

API NUMBER: 139 24638

OKLAHOMA CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
P.O. BOX 52000
OKLAHOMA CITY, OK 73152-2000
(Rule 165:10-3-1)Approval Date: 07/27/2021
Expiration Date: 01/27/2023

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 23 Township: 6N Range: 11EC County: TEXAS

SPOT LOCATION: C NE NW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 2310 1650Lease Name: HOOPINGARNER Well No: 1-23 Well will be 1650 feet from nearest unit or lease boundary.
Operator Name: H & L EXPLORATION COMPANY LLC Telephone: 8063534331 OTC/OCC Number: 24557 0H & L EXPLORATION COMPANY LLC
PO BOX 7506
AMARILLO, TX 79114-7506TANYA MEIXER
4406 78TH STREET
LUBBUCK TX 79424

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

	Name	Code	Depth
1	LANSING-KANSAS CITY	405LGKC	3500
2	MARMATON	404MRMN	4000
3	CHEROKEE-ATOKA	403CHRAT	4200
4	MORROW UP	402MRRWU	4675
5	MORROW LOW	402MRRWL	4820

	Name	Code	Depth
6	MISS'AN (CHESTER)	354MSSNC	5100

Spacing Orders: 36009 Location Exception Orders: No Exceptions Increased Density Orders: No Density Orders
40475
44512

Pending CD Numbers: No Pending Working interest owners' notified: *** Special Orders: No Special Orders

Total Depth: 5500 Ground Elevation: 3566 Surface Casing: 1700 Depth to base of Treatable Water-Bearing FM: 900

Deep surface casing has been approved

Under Federal Jurisdiction: No
Fresh Water Supply Well Drilled: No
Surface Water used to Drill: YesApproved Method for disposal of Drilling Fluids:
A. Evaporation/dewater and backfilling of reserve pit.**PIT 1 INFORMATION**Type of Pit System: ON SITE
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: 2
Liner not required for Category: 2
Pit Location is: NON HSA
Pit Location Formation: PLEISTOCENE**NOTES:**

Category	Description
DEEP SURFACE CASING	[7/22/2021 - GC2] - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

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.

HYDRAULIC FRACTURING	<p>[7/22/2021 - 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: 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>
SPACING - 36009	[7/26/2021 - GB1] - (640) 23-6N-11ECM EST MRRWU
SPACING - 40475	[7/26/2021 - GB1] - (640) 23-6N-11ECM EXT OTHER EST LGKC, MRMN, CHRAT, MRRWL, MSSNC