

API NUMBER: 019 26521

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

Approval Date: 10/17/2022

Expiration Date: 04/17/2024

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 31 Township: 2S Range: 2W County: CARTER

SPOT LOCATION: ☐ NW ☐ NE ☐ NW ☐ SE FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 298 692

Lease Name: BUD 2 Well No: 2-31 Well will be 298 feet from nearest unit or lease boundary.

Operator Name: SPRING OPERATING COMPANY Telephone: 4053406811 OTC/OCC Number: 20386 0

SPRING OPERATING COMPANY
PO BOX 2048
EDMOND , OK 73083-2048

CAREY D POWELL AND TERRI POWELL
12942 CIMMARON ROAD
HEALDTON OK 73438

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

Name	Code	Depth	Name	Code	Depth
1 MARKHAM	401MRKM	5000	6 SYCAMORE	352SCMR	6800
2 ALDRIDGE	401ADDG	5800	7 WOODFORD	319WDFD	7100
3 HUMPHREYS	401HMPR	6200	8 HUNTON	269HNTN	7700
4 SIMS	401SIMS	6400	9 VIOLA	202VIOL	8500
5 GOODWIN	401GDWN	6700	10 SIMPSON	202SMPS	9500

Spacing Orders: 590363
617419

Location Exception Orders: 728253

Increased Density Orders: 727806

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 10700

Ground Elevation: 973

Surface Casing: 300

Depth to base of Treatable Water-Bearing FM: 130

Under Federal Jurisdiction: No
Fresh Water Supply Well Drilled: No
Surface Water used to Drill: No

Approved 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: 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 located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2

Pit Location is: BED AQUIFER

Pit Location Formation: WELLINGTON

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>[10/3/2022 - 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: 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 - 727806	<p>[10/11/2022 - GB7] - 31-2S-2W X590363 SIMS 1 WELL SPRING OPERATING COMPANY</p>
LOCATION EXCEPTION - 728253 (CD2022-002492)	<p>[10/10/2022 - GB7] - (I.O.) 31-2N-2W X590363 HMPR, SIMS, GDWN, SCMR, WDFD, HNTN, VIOL, SMPS, OTHERS X617419 MRKM, ADDG, OTHERS COMPL. INT. NCT 330' FNL, NCT 330' FWL SPRING OPERATING COMPANY 09/08/2022</p>
SPACING - 590363	<p>[10/10/2022 - GB7] - (160) SE4 31-2S-2W VAC 310642 HMPR, SIMS, GDWN, SCMR, WDFD EST HMPR, SIMS, GDWN, SCMR, WDFD, HNTN, VIOL, SMPS, OTHER</p>
SPACING - 617419	<p>[10/10/2022 - GB7] - (160) SE4 31-2N-2W EXT 615371 MRKM, ADDG, OTHER</p>