

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

API NUMBER: 011 24201

Approval Date: 03/27/2019

Expiration Date: 09/27/2020

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 07 Twp: 18N Rge: 13W

County: BLAINE

SPOT LOCATION: ☐ NW ☐ SE ☐ SW ☐ SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 385 949

Lease Name: GAMBILL

Well No: 7-1H

Well will be 385 feet from nearest unit or lease boundary.

Operator Name: DERBY EXPLORATION LLC

Telephone: 4056393786

OTC/OCC Number: 24143 0

DERBY EXPLORATION LLC  
PO BOX 779  
OKLAHOMA CITY, OK 73101-0779

DAWN MARIE & DARRIN GAMBILL  
66056 N 2440 ROAD  
CANTON OK 73724

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	8815	6	
2	WOODFORD	10365	7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201901469  
201900516

Special Orders:

Total Depth: 14460

Ground Elevation: 1688

**Surface Casing: 380**

Depth to base of Treatable Water-Bearing FM: 130

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 BED AQUIFER

Pit Location Formation: RUSH SPRINGS

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

PERMIT NO: 19-36355

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: 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 located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: RUSH SPRINGS

## HORIZONTAL HOLE 1

Sec 07 Twp 18N Rge 13W County BLAINE

Spot Location of End Point: N2 N2 NW NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 9376

Radius of Turn: 477

Direction: 355

Total Length: 4334

Measured Total Depth: 14460

True Vertical Depth: 10365

End Point Location from Lease,  
Unit, or Property Line: 50

### Notes:

#### Category

#### Description

#### HYDRAULIC FRACTURING

3/14/2019 - 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: [OCCEWEB.COM/OG/OGFORMS.HTML](http://OCCEWEB.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](http://FRACFOCUS.ORG)

#### INTERMEDIATE CASING

3/14/2019 - 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

#### MEMO

3/14/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

#### PENDING CD - 201900516

3/26/2019 - GA8 - (640)(HOR) 7-18N-13W  
EXT 687005 MSSP, WDFD, OTHER  
POE TO BHL (MSSP) NCT 660' FB  
POE TO BHL (WDFD) NCT 165' FSL & FNL, NCT 330' FEL & FWL  
REC 3/5/2019 (NORRIS)

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

011 24201 GAMBILL 7-1H

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

PENDING CD - 201901469

Description

3/26/2019 - GA8 - (E.O.) 7-18N-13W  
X201900516 MSSP, WDFD  
SHL NCT 165' FSL, NCT 660' FWL  
COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FWL  
BHL NCT 0' FNL, NCT 330' FWL  
NO OP. NAMED  
REC 3/13/2019 (P. PORTER)

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.

Sec. 7-18N-13W I.M.



# DERBY Well Location Plat

Operator: DERBY EXPLORATION, LLC

Lease Name and No.: GAMBILL 7-1H

Footage: 385' FSL - 949' FWL Gr. Elevation: 1688'

Section: 7 Township: 18N Range: 13W I.M.

County: Blaine State of Oklahoma

Terrain at Loc.: Location fell in a terraced wheat field, North and East of existing pipelines, and North of an existing fence and overhead power line.

All bearings shown  
are grid bearings.0 500 1000 1500  
1" = 1000'GPS DATUM  
NAD 83  
NAD 27  
OK NORTH ZONE

Surface Hole Loc.:  
Lat: 36°02'40.55"N  
Lon: 98°37'59.54"W  
Lat: 36.04459819  
Lon: -98.63320584  
X:1781307  
Y:380862

Surface Hole Loc.:  
Lat: 36°02'40.41"N  
Lon: 98°37'58.24"W  
Lat: 36.04455760  
Lon: -98.63284311  
X:1812909  
Y:380837

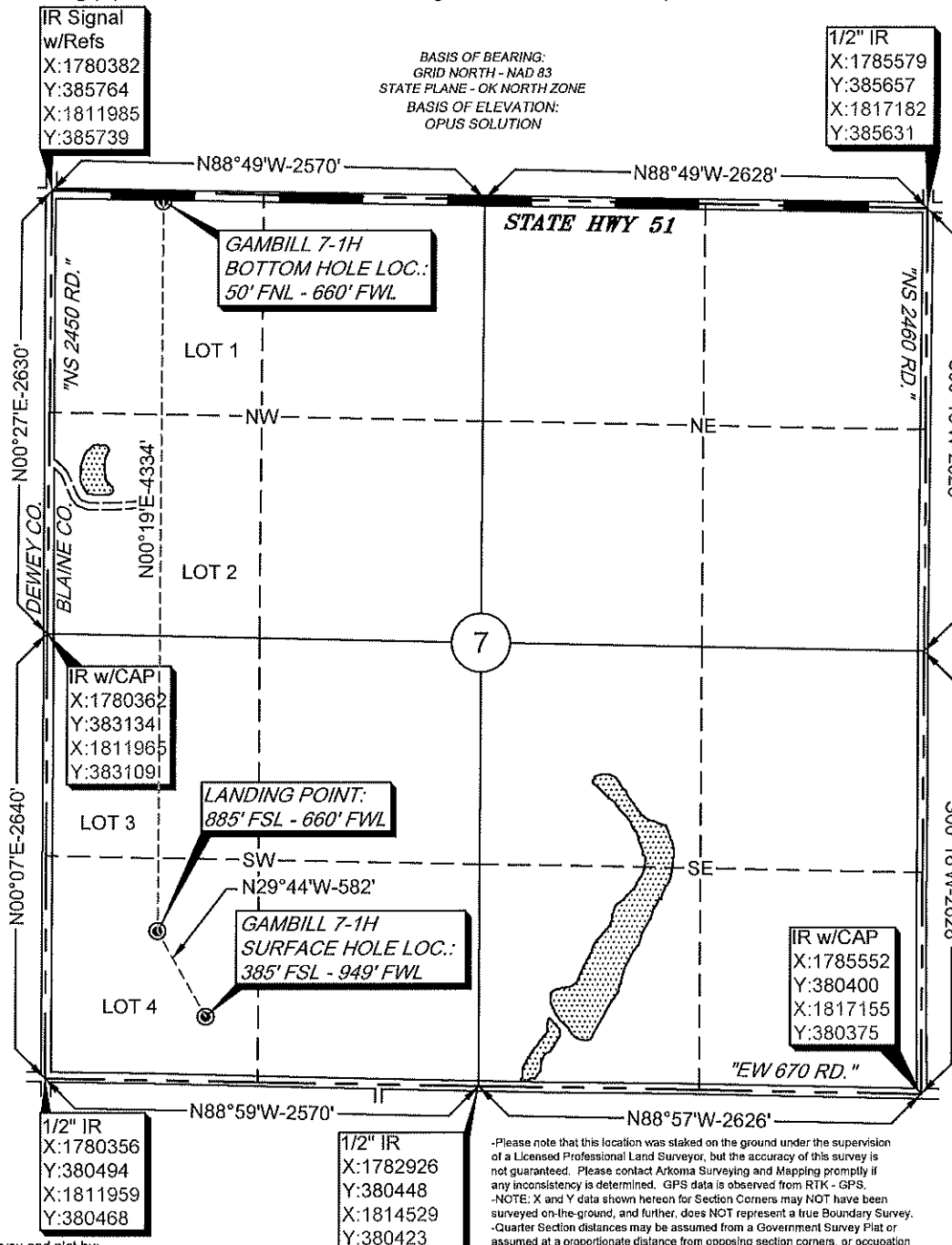
Landing Point:  
Lat: 36°02'45.53"N  
Lon: 98°38'03.09"W  
Lat: 36.04598087  
Lon: -98.63419290  
X:1781018  
Y:381367

Landing Point:  
Lat: 36°02'45.39"N  
Lon: 98°38'01.79"W  
Lat: 36.04594029  
Lon: -98.63383014  
X:1812621  
Y:381342

Bottom Hole Loc.:  
Lat: 36°03'28.39"N  
Lon: 98°38'03.15"W  
Lat: 36.05788567  
Lon: -98.63420861  
X:1781042  
Y:385701

Bottom Hole Loc.:  
Lat: 36°03'28.24"N  
Lon: 98°38'01.85"W  
Lat: 36.05784532  
Lon: -98.63384587  
X:1812645  
Y:385675

BASIS OF BEARING:  
GRID NORTH - NAD 83  
STATE PLANE - OK NORTH ZONE  
BASIS OF ELEVATION:  
OPUS SOLUTION



-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.

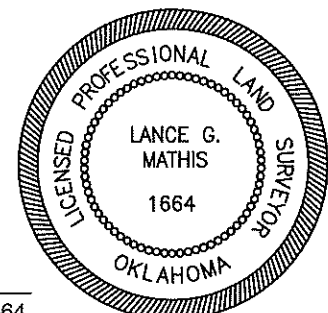
## Certification:

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*  
LANCE G. MATHIS

03/27/19

OK LPLS 1664



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

Invoice #8461-B

Date Staked: 01/31/19 By: J.W.

Date Drawn: 02/05/19 By: M.K.

Rev. Lease Name: 02/28/19 By: R.S.

Rev. Sections: 03/04/19 By: C.K.

Add BHL: 03/12/19 By: R.M.

Add LP: 03/27/19 By: R.S.