

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

API NUMBER: 045 23802

Approval Date: 06/03/2019

Expiration Date: 12/03/2020

Horizontal Hole  
Multi Unit  
Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 20 Twp: 19N Rge: 25W County: ELLIS

SPOT LOCATION: ☐ SE ☐ NE ☐ NW ☐ SW FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2165 1050

Lease Name: DLD FARMS

Well No: 1-20HX

Well will be 1050 feet from nearest unit or lease boundary.

Operator Name: DUNCAN OIL PROPERTIES INC

Telephone: 4052721800

OTC/OCC Number: 15876 0

DUNCAN OIL PROPERTIES INC  
100 PARK AVE STE 1200  
OKLAHOMA CITY, OK 73102-8023

DLD FARMS, LLC  
311 N. SOONER ROAD  
EDMOND OK 73034-

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

| Name        | Depth | Name | Depth |
|-------------|-------|------|-------|
| 1 CLEVELAND | 9050  | 6    |       |
| 2           |       | 7    |       |
| 3           |       | 8    |       |
| 4           |       | 9    |       |
| 5           |       | 10   |       |

Spacing Orders: 684539  
684540  
688501

Location Exception Orders: 688503

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 17082

Ground Elevation: 2394

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 620

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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: OGALLALA

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 19-36564

E. Haul to Commercial pit facility: Sec. 24 Twn. 14N Rng. 21W Cnty. 129 Order No: 372833

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: OGALLALA

HORIZONTAL HOLE 1

Sec 17 Twp 19N Rge 25W County ELLIS

Spot Location of End Point: N2 NE NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 990

Depth of Deviation: 8496

Radius of Turn: 573

Direction: 359

Total Length: 7686

Measured Total Depth: 17082

True Vertical Depth: 9069

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

Notes:

Category

Description

DEEP SURFACE CASING

5/1/2019 - 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

5/1/2019 - 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)

LOCATION EXCEPTION - 688503

5/7/2019 - GB6 - (I.O.) 17 & 20-19N-25W  
X684539 CLVD  
X684540 CLVD  
COMPL. INT. (20-19N-25W) NCT 1320' FSL, NCT 0' FNL, NCT 500' FWL  
COMPL. INT. (17-19N-25W) NCT 0' FSL, NCT 165' FNL, NCT 500' FWL  
NO OP. NAMED  
12/18/2018

MEMO

5/1/2019 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

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

045 23802 DLD FARMS 1-20HX

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   |
|------------------|---|
| SPACING - 684539 | 5/7/2019 - GB6 - (640)(HOR) 17-19N-25W<br>VAC 82943 CLVD<br>EST CLVD<br>POE TO BHL NLT 660' FB  |
| SPACING - 684540 | 5/7/2019 - GB6 - (640)(HOR) 20-19N-25W<br>VAC 88225 CLVD<br>EST CLVD<br>POE TO BHL NLT 660' FB  |
| SPACING - 688501 | 5/7/2019 - GB6 - (I.O.) 17 & 20-19N-25W<br>EST MULTIUNIT HORIZONTAL WELL<br>X684539 CLVD<br>X684540 CLVD<br>66% 17-19N-25W<br>34% 20-19N-25W<br>DUNCAN OIL PROPERTIES, INC.<br>12/18/2018 |

045-23802



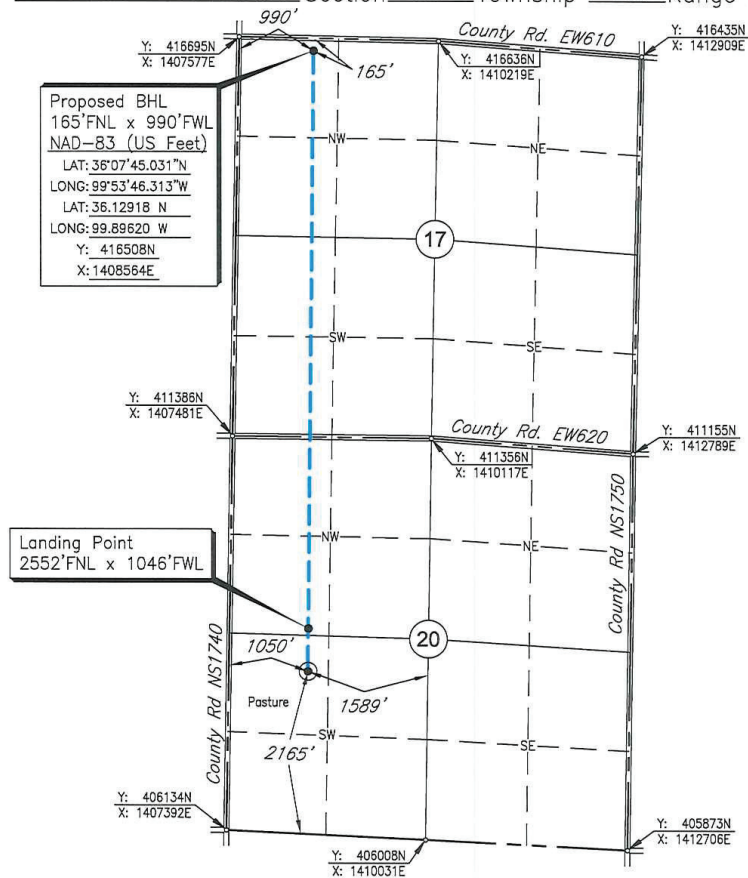
**CIMARRON**  
SURVEYING & MAPPING CO.  
C.A. No. 1780 Expires June 30, 2020

1530 SW 89TH STREET, Bldg. C7  
OKLAHOMA CITY, OK  
(407) 692-7748  
CIMSURVEY.COM

ELLIS

County, Oklahoma

2165'FSL — 1050'FWL Section 20 Township 19N Range 25W I.M.



Scale: 1" = 2000'

Date Staked: November 8, 2018

GPS Observation: Latitude 36°06'23.361" N  
Longitude 99°53'45.396" W  
Latitude 36.10649 N  
Longitude 99.89594 W

State Plane NAD83 Y: 408250N

Oklahoma North Zone: X:1408478E

Operator: DUNCAN OIL PROPERTIES

Elevation: 2394'

Lease Name: DLD FARMS

Well No.: 1-20HX

Topography &amp; Vegetation: Pasture

Alternate Location Stakes Set: No

Good Drill Site? Yes

Best Accessibility to Location: From the West Line

Distance &amp; Direction

from Hwy Jct or Town: From junction of U.S. Hwy. 60 & U.S. Hwy. 283; Thence west 1 mile along U.S. Hwy. 60; Thence south approx. 2½ miles to the SW Corner of Section 20.

SURVEYOR'S CERTIFICATE:

I, D. MIKE DOSSEY, Registered Professional Land Surveyor, No. 1431 do hereby certify that the above described well location was carefully staked on the ground as shown and that all ties and distances shown are from existing lines of occupation.

|                  |     |                     |        |        |
|------------------|-----|---------------------|--------|--------|
| JOB NO.: 180308  | 2   | ADDED LANDING POINT | 6/3/19 | S.R.T. |
| DATE: 11/13/18   | 1   | MOVED WELL          | 3/5/19 | S.R.T. |
| DRAWN BY: T.A.W. | NO. | REVISION            | DATE   | BY     |

D. MIKE DOSSEY R.P.L.S. # 1431

