

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

API NUMBER: 039 20904 B

Approval Date: 09/10/2020
Expiration Date: 03/10/2022

Straight Hole Oil & Gas

PERMIT TO RECOMPLETE

WELL LOCATION: Section: 21 Township: 15N Range: 17W County: CUSTER

SPOT LOCATION: C NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 1320 1320

Lease Name: KINCAID Well No: 21-1 Well will be 1320 feet from nearest unit or lease boundary.
Operator Name: ENCINO OPERATING LLC Telephone: 8323706921 OTC/OCC Number: 23270 0

ENCINO OPERATING LLC
5847 SAN FELIPE ST STE 300
HOUSTON, TX 77057-3426

BRADLEY KINCAID
1301 N BITTERCREEK TERRACE
MUSTANG OK 73064

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

| Name | Code | Depth |
|----------|---------|-------|
| 1 MORROW | 402MRRW | 11980 |

Spacing Orders: 95729
96814

Location Exception Orders: No Exceptions

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 16035

Ground Elevation: 1809

Surface Casing: 3240 IP

Depth to base of Treatable Water-Bearing FM: 400

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

Approved Method for disposal of Drilling Fluids:

NOTES:

| Category | Description |
|----------------------|--|
| HYDRAULIC FRACTURING | 9/9/2020 - GC2 - 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 ; 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 |
| SPACING - 95729 | 9/10/2020 - GC2 - (640) 21-15N-17W EXT 91148 MRRW, OTHER EXT OTHERS EST OTHERS |
| SPACING - 96814 | 9/10/2020 - GC2 - NPT PARAGRAPH 1 OF 95729 TO SHOW MORROW AS AMENDED BY 86789 |

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.

039 20904 KINCAID 21-1