

API NUMBER: 039 22611

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

Approval Date: 10/13/2022

Expiration Date: 04/13/2024

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 10 Township: 12N Range: 16W County: CUSTER

SPOT LOCATION: ☐ SE ☐ SE ☐ NW ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 999 1259

Lease Name: NEWCOMB Well No: 2-10 Well will be 999 feet from nearest unit or lease boundary.

Operator Name: ARNOLD OIL PROPERTIES LLC Telephone: 4058421488 OTC/OCC Number: 22061 0

ARNOLD OIL PROPERTIES LLC
6816 N ROBINSON AVEE
OKLAHOMA CITY, OK 73116-9039

CARLOS AND ANN C NEWCOMB
PO BOX 1775
CLINTON OK 73601

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

| | Name | Code | Depth |
|---|----------|---------|-------|
| 1 | SKINNER | 404SKNR | 11600 |
| 2 | RED FORK | 404RDFK | 12500 |

Spacing Orders: 87179
153830

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202203776

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 12800

Ground Elevation: 1702

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 600

Deep surface casing has been approved

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.

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

PERMIT NO: 22-38615

H. (Other)

1B MIN. SOIL COMPACTED PIT, NOTIFY DISTRICT
PRIOR TO TESTING SOIL PIT LINER

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 located in a Hydrologically Sensitive Area.

Category of Pit: 1B

Liner required for Category: 1B

Pit Location is: AP/TE DEPOSIT

Pit Location Formation: TERRACE

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 |
|------------------------|--|
| DEEP SURFACE CASING | [10/4/2022 - 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 |
| HYDRAULIC FRACTURING | <p>[10/4/2022 - 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: 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> |
| PENDING CD - 202203776 | <p>[10/4/2022 - G56] - 10-12N-16W X87179 RDFK X153830 SKNR, OTHERS SHL NCT 990' FNL, NCT 1220' FWL NO OP NAMED REC 10/11/2022 (BEESE)</p> |
| SPACING - 153830 | <p>[10/4/2022 - G56] - (640) 10-12N-16W EXT OTHERS EXT 149965 SKNR</p> |
| SPACING - 87179 | <p>[10/4/2022 - G56] - (640) 10-12N-16W EST RDFK</p> |

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