

API NUMBER: 043 23665 A

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

Approval Date: 09/24/2020
Expiration Date: 03/24/2022

Horizontal Hole Oil & Gas

PERMIT TO RECOMPLETE

WELL LOCATION: Section: 16 Township: 19N Range: 14W County: DEWEY

SPOT LOCATION: SW SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 265 220

Lease Name: CAYMAN Well No: 19-14-16 1H Well will be 220 feet from nearest unit or lease boundary.
Operator Name: STAGHORN PETROLEUM II LLC Telephone: 9185842558 OTC/OCC Number: 24056 0

STAGHORN PETROLEUM II LLC
1 W 3RD ST STE 1000
TULSA, OK 74103-3500

GLEN M HYDEN LIVING TRUST
103647 S HWY 99
PRAGUE OK 74864

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

	Name	Code	Depth
1	RED FORK	404RDFK	8002
2	MISSISSIPPIAN	359MSSP	9566

Spacing Orders: 251444 Location Exception Orders: 697050 Increased Density Orders: No Density Orders
674967 714441

Pending CD Numbers: No Pending Special Orders: No Special Orders

Total Depth: 13732 Ground Elevation: 1683 Surface Casing: 531 IP Depth to base of Treatable Water-Bearing FM: 70

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

Approved Method for disposal of Drilling Fluids:

HORIZONTAL HOLE 1

Section: 16 Township: 19N Range: 14W Total Length: 3797
County: DEWEY Measured Total Depth: 13732
Spot Location of End Point: NE SW NW NW True Vertical Depth: 10000
Feet From: NORTH 1/4 Section Line: 702 End Point Location from
Feet From: WEST 1/4 Section Line: 348 Lease, Unit, or Property Line: 348

NOTES:

Category	Description
DEEP SURFACE CASING	10/17/2018 - GA8 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

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.

HYDRAULIC FRACTURING	<p>10/17/2018 - GA8 - OCC 165:10-3-10 REQUIRES:</p> <p>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;</p> <p>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,</p> <p>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</p>
INTERMEDIATE CASING	<p>10/17/2018 - GA8 - 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</p>
LOCATION EXCEPTION - 697050 (201806933)	<p>09/24/2020 - GB6 - 16-19N-14W X674967 MSSP SHL 265' FSL 220' FWL 16-19N-14W LAST PERF 448' FSL 372' FWL 16-19N-14W FIRST PERF 777' FNL 351' FWL 16-19N-14W STAGHORN PETROLEUM II, LLC 06/04/2019</p>
LOCATION EXCEPTION - 714441 (202001336)	<p>9/24/2020 - GB6 - (I.O.) W2 SW4 16-19N-14W X251444 RDFK SHL 265' FSL 220' FWL W2 SW4 16-19N-14W FIRST PERF 8087'MD/8068'TVD NCT 45' FSL NCT 366' FWL W2 SW4 16-19N-14W LAST PERF 8133'MD/8116'TVD NCT 60' FSL NCT 366' FWL W2 SW4 16-19N-14W STAGHORN PETROLEUM II, LLC 09/15/2020</p>
MEMO	<p>10/17/2018 - GA8 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT</p>
SPACING - 251444	<p>09/24/2020 - GB6 - (80) 16-19N-14W SU NW/SE VAC 222494 CSTR, OTHERS AMD 222494 RDFK EXT 245516 CSTR, OTHERS</p>
SPACING - 674967	<p>10/22/2018 - G56 - (640)(HOR) 16-19N-14W EST. MSSP POE TO BHL NCT 660' FB (COEXIST WITH SP. ORDER# 251444 CSTR, SP. ORDER# 222494 MSSSD)</p>