

API NUMBER: 141 20490 B

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

Approval Date: 11/18/2019
Expiration Date: 05/18/2021

Straight Hole Oil & Gas

Amend reason: CHANGING TOTAL DEPTH

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 26 Township: 3S Range: 18W County: TILLMAN

SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 330 1870

Lease Name: HEAP Well No: 1 Well will be 330 feet from nearest unit or lease boundary.

Operator Name: AC OPERATING COMPANY LLC Telephone: 7138819030 OTC/OCC Number: 23061 0

AC OPERATING COMPANY LLC
952 ECHO LN STE 390
HOUSTON, TX 77024-2851

JAMES R. HEAP
P O BOX 624
FREDERICK OK 73542

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

	Name	Code	Depth
1	CANYON	405CNYN	3436
2	STRAWN	404STRN	4290
3	MISSISSIPPIAN	359MSSP	5500
4	ARBUCKLE	169ABCK	6000

Spacing Orders: No Spacing

Location Exception Orders: No Exceptions

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special Orders

Total Depth: 6700

Ground Elevation: 1157

Surface Casing: 234 IP

Depth to base of Treatable Water-Bearing FM: 90

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

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. (Other)

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: 5000 Average: 3000

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
HYDRAULIC FRACTURING	<p>[2/8/2021 - 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>
SPACING	11/18/2019 - GB1 - FORMATIONS UNSPACED; 160-ACRE LEASE SE4

TILLMAN

County, Oklahoma

330'FSL-770'FEL

Section

26

Township

3S

Range 18W I.M.

X= 1678988
Y= 344794

X= 1681630
Y= 344746

X= 1684266
Y= 344702

X= 1678969
Y= 342153

X= 1684240
Y= 342082

X= 1678955
Y= 339513

X= 1681586
Y= 339480

X= 1684218
Y= 339447



GRID
NAD-27
OK SOUTH
US Feet
Scale:
1" = 1000'

NOTE:
The information shown herein is for
construction purposes ONLY.

Operator: AC EXPLORATION, LLC

Lease Name: HEAP

Well No.: #1

ELEVATION:

1157' Gr. at Stake

Topography & Vegetation Loc. fell in level plowed field

Good Drill Site? Yes

Reference Stakes or Alternate Location
Stakes Set None

Best Accessibility to Location From South off county road

Distance & Direction

from Hwy Jct or Town From Jct. of US Hwy 70 East and US Hwy 183 N-S, at Davidson, OK,

go ±1.0 mile North on US Hwy 183, then ±1.0 mile East to the SE Cor. of Sec. 26-T3S-R18W

DATUM: NAD-27
LAT: 34°15'45.1"N
LONG: 99°02'51.6"W
LAT: 34.262528381° N
LONG: 99.047652919° W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK SOUTH
X: 1683451
Y: 339786

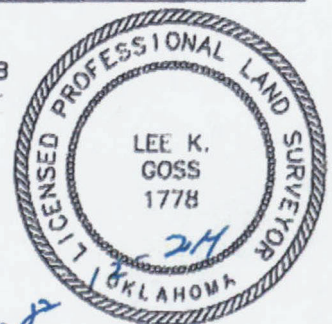
Date of Drawing: Aug. 12, 2014
Invoice # 228371 Date Staked: Aug. 8, 2014

DB

CERTIFICATE:

I, Lee K. Goss a Oklahoma Licensed Land
Surveyor and an authorized agent of Topographic Land
Surveyors of Oklahoma, do hereby certify to the
information shown herein

Oklahoma Lic. No. 1778



This information was
gathered with a GPS receiver
with ±1 foot Horiz./Vert. accuracy.