API NUMBER: 049 25292

Oil & Gas

Horizontal Hole

Name:

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

Approval Date: 05/10/2019
Expiration Date: 11/10/2020

PERMIT TO DRILL

WELL LOCATION	N: Sec: 06 Twp: 3N Rge: 4W						County: GARVIN				
SPOT LOCATION	N: NW	N/	N N	IE	NW		FEET FROM QUARTER:	FROM	NORTH	FROM	WEST
							SECTION LINES:		240		1322
Lease Name: MCCLOUD 0304							Well No: 1-6SH				
Operator	МΔ	RATHO	N OIL C	ОМРА	NY				Talani		40570055

OTC/OCC Number: 1363 0

Well will be 240 feet from nearest unit or lease boundary.

MARATHON OIL COMPANY
7301 NW EXPRESSWAY STE 225
OKLAHOMA CITY, OK 73132-1590

BRUCE OWENS
13257 HWY. 76
LINDSAY OK 73052

Formation(s) (Permit Valid for Listed Formations Only): Name Depth Name Depth SPRINGER 12550 1 6 2 7 3 8 4 9 5 10 Spacing Orders: Location Exception Orders: Increased Density Orders: No Spacing Pending CD Numbers: 201902532 Special Orders:

201902537 201902531

Total Depth: 17434 Ground Elevation: 1082 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 440

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

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: 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: C

Liner not required for Category: C
Pit Location is BED AQUIFER
Pit Location Formation: DUNCAN

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 19-36575 H. SEE MEMO

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: DUNCAN

HORIZONTAL HOLE 1

Sec 06 Twp 3N Rge 4W County **GARVIN** Spot Location of End Point: SE SE SE SW Feet From: SOUTH 1/4 Section Line: 50 Feet From: WEST 1/4 Section Line: 2375

Depth of Deviation: 12088 Radius of Turn: 477 Direction: 170

Total Length: 4597

Measured Total Depth: 17434

True Vertical Depth: 12805

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

MEMO

Category Description

DEEP SURFACE CASING 5/7/2019 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF

CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR

SURFACE CASING

HYDRAULIC FRACTURING 5/7/2019 - 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; 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 5/7/2019 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 -

OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201902531 5/9/2019 - G75 - (E.O.) 6-3N-4W

X201902532 SPRG

2 WELLS

MARATHON OIL CO. REC 5-7-2019 (NORRIS) Category Description

PENDING CD - 201902532 5/9/2019 - G75 - (E.O.)(640)(HOR) 6-3N-4W EXT 671679 SPRG, OTHERS

POE TO BHL NLT 660' FB MARATHON OIL CO. REC 5-7-2019 (NORRIS)

PENDING CD - 201902537 5/9/2019 - G75 - (E.O.) 6-3N-4W

X201902532 SPRG

COMPL. INT. NCT 165' FNL & NCT 1320' FEL, NCT 165' FSL, & NCT 1320' FWL

MARATHON OIL CO. REC 5-7-2019 (NORRIS)