

API NUMBER: 045 23878

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

Approval Date: 10/05/2022
Expiration Date: 04/05/2024

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 32 Township: 19N Range: 25W County: ELLIS

SPOT LOCATION: ☐ NW ☐ NW ☐ NE ☐ NE
FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 270 1150

Lease Name: JJB Well No: 1-29HX Well will be 270 feet from nearest unit or lease boundary.
Operator Name: DUNCAN OIL PROPERTIES INC Telephone: 4052721800 OTC/OCC Number: 15876 0

DUNCAN OIL PROPERTIES INC
100 PARK AVE STE 1200
OKLAHOMA CITY, OK 73102-8023

DONNA JOE BROWN
P.O. BOX 1
ARNETT OK 73832

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

Name	Code	Depth
1 CHEROKEE	404CHRK	9951

Spacing Orders: 727719

Location Exception Orders: 728480

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 20250 Ground Elevation: 2358

Surface Casing: 650

Depth to base of Treatable Water-Bearing FM: 580

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

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 22-38478

H. (Other)

SEE MEMO

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is: AP/TE DEPOSIT

Pit Location Formation: TERRACE

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: AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Section: 20 Township: 19N Range: 25W Meridian: IM

Total Length: 9995

County: ELLIS

Measured Total Depth: 20250

Spot Location of End Point: E2 NW NE NE

True Vertical Depth: 10000

Feet From: NORTH 1/4 Section Line: 330

End Point Location from

Feet From: EAST 1/4 Section Line: 900

Lease, Unit, or Property Line: 330

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.

NOTES:	
Category	Description
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>
LOCATION EXCEPTION - 728480 (CD2022-002239)	<p>[10/5/2022 - GB7] - (I.O.) 20 & 29-19N-25W X727719 CHRK 20, 29-19N-25W COMPL. INT. NCT 330' FSL, NCT 330' FNL, NCT 660' FEL UNIT 20 & 29-19N-25W DUNCAN OIL PROPERTIES, INC. 9/15/2022</p>
MEMO	[10/4/2022 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 727719	<p>[10/5/2022 - GB7] - (1280)(HOR) 20 & 29-19N-25W VAC 88225 CHRK 20, 29-19N-25W EST CHRK COMPL. INT. NLT 660' FB</p>
SURFACE CASING	[10/4/2022 - GC2] - NO DEEP SURFACE CASING - LOST CIRCULATION IN 30-19N-25W