

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

API NUMBER: 019 26401

Approval Date: 08/14/2020
Expiration Date: 02/14/2022

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 28 Township: 3S Range: 2W County: CARTER

SPOT LOCATION: ☐ NE ☐ SE ☐ NE ☐ NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1815 2475

Lease Name: OIL CITY UNIT Well No: 78 Well will be 825 feet from nearest unit or lease boundary.

Operator Name: KODIAK OIL & GAS INC Telephone: 9407594001 OTC/OCC Number: 23226 0

KODIAK OIL & GAS INC
204 N WALNUT ST
MUNSTER, TX 76252-2766

SEAN CHATHAM
639 NEWPORT ROAD
ARDMORE OK 73401

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

Name	Code	Depth
1 PONTOTOC	419PNTC	850

Spacing Orders: 47075
67235

Location Exception Orders: No Exceptions

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 1150

Ground Elevation: 1006

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 40

Alternate Casing Program

Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.

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.

H. CBL REQUIRED

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 1000 Average: 500

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: 2

Liner not required for Category: 2

Pit Location is: BED AQUIFER

Pit Location Formation: GARBER

NOTES:

Category	Description
ALTERNATE CASING	8/14/2020 - GC2 - APPROVED; (1) MUDDING UP PRIOR TO TD TO PROTECT SHALLOW SANDS & (2) COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C)

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>8/14/2020 - GC2 - 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: OCCWEB.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>
SPACING - 67235	<p>8/14/2020 - GB6 - (UNIT) E2 NE4, E2 NW4 NE4, NW4 NW4 NE4, NE4 SW4 NE4 28-3S-2W AMD 47075 TO DEFINE PNTC CSS AS ALL FORMATIONS BETWEEN 800' AND 1200' IN ROY M. JOHNSON CALDWELL #6 WELL, & OTHER VARIOUS ITEMS.</p>
SPACING – 47075	<p>8/14/2020 - GB6 - (UNIT) E2 NE4, E2 NW4 NE4, NW4 NW4 NE4, NE4 SW4 NE4 28-3S-2W EST OIL CITY UNIT FOR PNTC</p>