API NUMBER: 051 24818

Horizontal Hole Oil & Gas

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

Approval Date: 04/16/2021
Expiration Date: 10/16/2022

PERMIT TO DRILL

WELL LOCATION: Section: 26 Township: 6N Range: 8W County: GRADY

SPOT LOCATION: NW NW NW NE FEET FROM QUARTER: FROM **NORTH** FROM **EAST**

SECTION LINES: **312** **2354**

Lease Name: **BAILEY 26** **Well No:** **1H** **Well will be** **312** **feet from nearest unit or lease boundary.**

Operator Name: **ALVARADO 2014 LLC** Telephone: 8327427757 OTC/OCC Number: 23798 0

ALVARADO 2014 LLC
4550 POST OAK PL DR STE 200
HOUSTON, TX 77027-3188

RICKY BAILEY AND TAMMI J. BAILEY
551 COUNTY ROAD 1410
CHICKASHA OK 73018

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

	Name	Code	Depth
1	HOXBAR	405HXBR	10954

Spacing Orders: 713378 Location Exception Orders: 715214 Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending Working interest owners' notified: *** Special Orders: No Special Orders

Total Depth: 16300 Ground Elevation: 1216 **Surface Casing: 2000** Depth to base of Treatable Water-Bearing FM: 860

Deep surface casing has been approved

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: 21-37571

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: 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 not** located in a Hydrologically Sensitive Area.

Category of Pit: C
Liner not required for Category: C
Pit Location is: NON HSA
Pit Location Formation: MARLOW

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 not** located in a Hydrologically Sensitive Area.

Category of Pit: C
Liner not required for Category: C
Pit Location is: NON HSA
Pit Location Formation: MARLOW

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.

HORIZONTAL HOLE 1

Section: 26	Township: 6N	Range: 8W	Meridian: IM	Total Length:	4923
County:	GRADY			Measured Total Depth:	16300
Spot Location of End Point:	SE SE SW SE			True Vertical Depth:	10987
Feet From:	**SOUTH**	1/4 Section Line:	165	End Point Location from Lease,Unit, or Property Line:	165
Feet From:	**EAST**	1/4 Section Line:	1600		

NOTES:

Category	Description
DEEP SURFACE CASING	[4/13/2021 - GC2] - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	[4/13/2021 - GC2] - OCC 165:10-3-10 REQUIRES: 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; 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, 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
LOCATION EXCEPTION - 715214	[4/16/2021 - GB1] - (I.O.) 26-6N-8W X713378 HBXR X165:10-3-28(C)(2)(B) HXBR MAY BE CLOSER THAN 600' TO BEVILL 2-26 COMPL INT NCT 165' FNL, NCT 165' FSL, NCT 1200' FEL ALVARADO 2014 LLC 11/6/2020
MEMO	[4/13/2021 - GC2] - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 713378	[4/16/2021 - GB1] - (640)(HOR) 26-6N-8W EXT 665405 HXBR COMPL INT NLT 660' FB (COEXIST SP #84538 HXBRL; SP # 182189/184121 YULE)

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.

WELL LOCATION

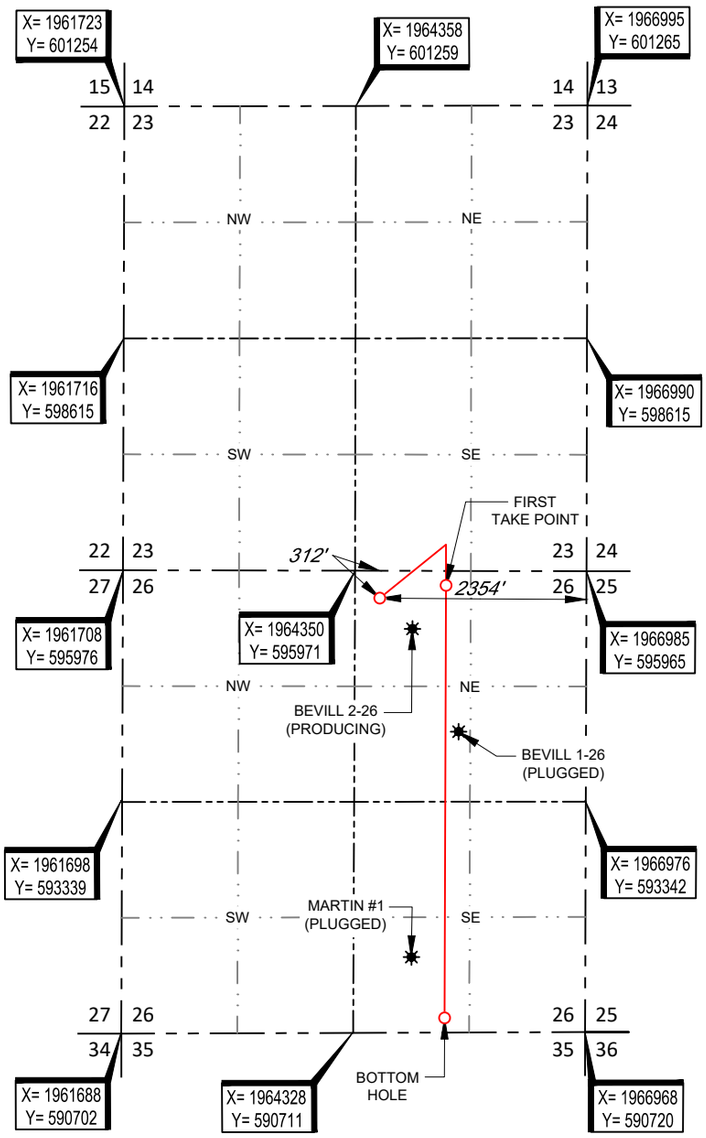
BAILEY 26-1H
ALVARADO 2014 LLC
SECTION 26, TOWNSHIP 6N, RANGE 8W I.M.,
GRADY COUNTY, OKLAHOMA

LEGEND

- SECTION LINE
- QUARTER SECTION LINE
- 16TH LINE
- PROPOSED WELL BORE
- EXISTING WELL

GRID
NAD-83
OK SOUTH
US FEET

SCALE: 1" = 2000'
0' 1000' 2000'



SURFACE LOCATION
312' FNL & 2354' FEL
NAD-83
X= 1964630
Y= 595658
LAT.: 34°58'12.3" N
LONG.: 98°00'46.5" W
LAT.: 34.970087° N
LONG.: 98.012917° W
ELEV: 1216'

FIRST TAKE POINT
165' FNL & 1600' FEL
NAD-83
X= 1965384
Y= 595803
LAT.: 34°58'13.8" N
LONG.: 98°00'37.4" W
LAT.: 34.970487° N
LONG.: 98.010400° W

BOTTOM HOLE
165' FSL & 1600' FEL
NAD-83
X= 1965368
Y= 590880
LAT.: 34°57'25.1" N
LONG.: 98°00'37.6" W
LAT.: 34.956959° N
LONG.: 98.010451° W

LICENSED PROFESSIONAL LAND SURVEYOR
THOMAS L. HOWELL
1433
10-15-20
OKLAHOMA

SURVEYOR'S CERTIFICATE:
I, THOMAS L. HOWELL, AN OKLAHOMA LICENSED LAND SURVEYOR AND AN AUTHORIZED AGENT OF TOPOGRAPHIC LAND SURVEYORS, DO HEREBY CERTIFY TO THE INFORMATION SHOWN HEREIN.

Thomas L. Howell

Thomas L. Howell P.L.S. No. 1433
Authorized Agent of Topographic Land Surveyors

TOPOGRAPHIC
LOYALTY INNOVATION LEGACY
13800 WIRELESS WAY • OKLAHOMA CITY, OKLAHOMA 73134
TELEPHONE: (405) 843-4847 OR (800) 654-3219
CERTIFICATE OF AUTHORIZATION NO. 1292 LS
WWW.TOPOGRAPHIC.COM

LEASE NAME & WELL NO. BAILEY 26-1H
SECTION 26 TWP 6N RGE 8W MERIDIAN I.M.,
COUNTY GRADY STATE OKLAHOMA
DESCRIPTION 312' FNL & 2354' FEL

BAILEY 26-1H	REVISION: INT	DATE
DATE: 10/13/2020		
FILE:LO_BAILEY 26-1H		
DRAWN BY: KEU		
SHEET : 1 OF 2		

NOTES:
1. ORIGINAL DOCUMENT SIZE: 8.5" X 14"
2. ALL BEARINGS SHOWN HEREON ARE GRID ACCORDING TO THE RESULTS OF STATIC GPS OBSERVATIONS PROCESSED THROUGH OPUS ON THE CONTROL POINT OCCUPIED WHILE MEASURING SAID LINES. OPUS RESULTS ARE CORRELATED TO OKLAHOMA, SOUTH ZONE, NAD 83 - HORIZONTAL AND THE NORTH AMERICAN VERTICAL DATUM OF 1988.
3. CERTIFICATION IS MADE ONLY TO THE LOCATION OF THIS EASEMENT/LOCATION, IN RELATION TO THE EVIDENCE FOUND DURING A FIELD SURVEY, MADE ON THE GROUND, UNDER MY SUPERVISION, AND USING DOCUMENTATION PROVIDED BY ALVARADO 2014 LLC. ONLY UTILITIES/EASEMENTS THAT WERE VISIBLE ON THE DATE OF THIS SURVEY, WITHIN/ADJOINING THIS EASEMENT/LOCATION, HAVE BEEN LOCATED AS SHOWN HEREON OF WHICH I HAVE KNOWLEDGE. THIS CERTIFICATION IS LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE, AND MADE FOR THIS TRANSACTION ONLY.
4. LANDING POINT, BOTTOM HOLE, AND DRILL PATH INFORMATION PROVIDED BY OPERATOR AS SHOWN AND ARE NOT SURVEYED LOCATIONS.
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6. EXISTING WELLS ARE PLOTTED PER OCC RECORDS, NOT SURVEYED IN THE FIELD.

WELL LOCATION

BAILEY 26-1H
ALVARADO 2014 LLC
SECTION 26, TOWNSHIP 6N, RANGE 8W I.M.,
GRADY COUNTY, OKLAHOMA

LEGEND

- SECTION LINE
- QUARTER SECTION LINE
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- PROPOSED WELL BORE
- EXISTING WELL

GRID
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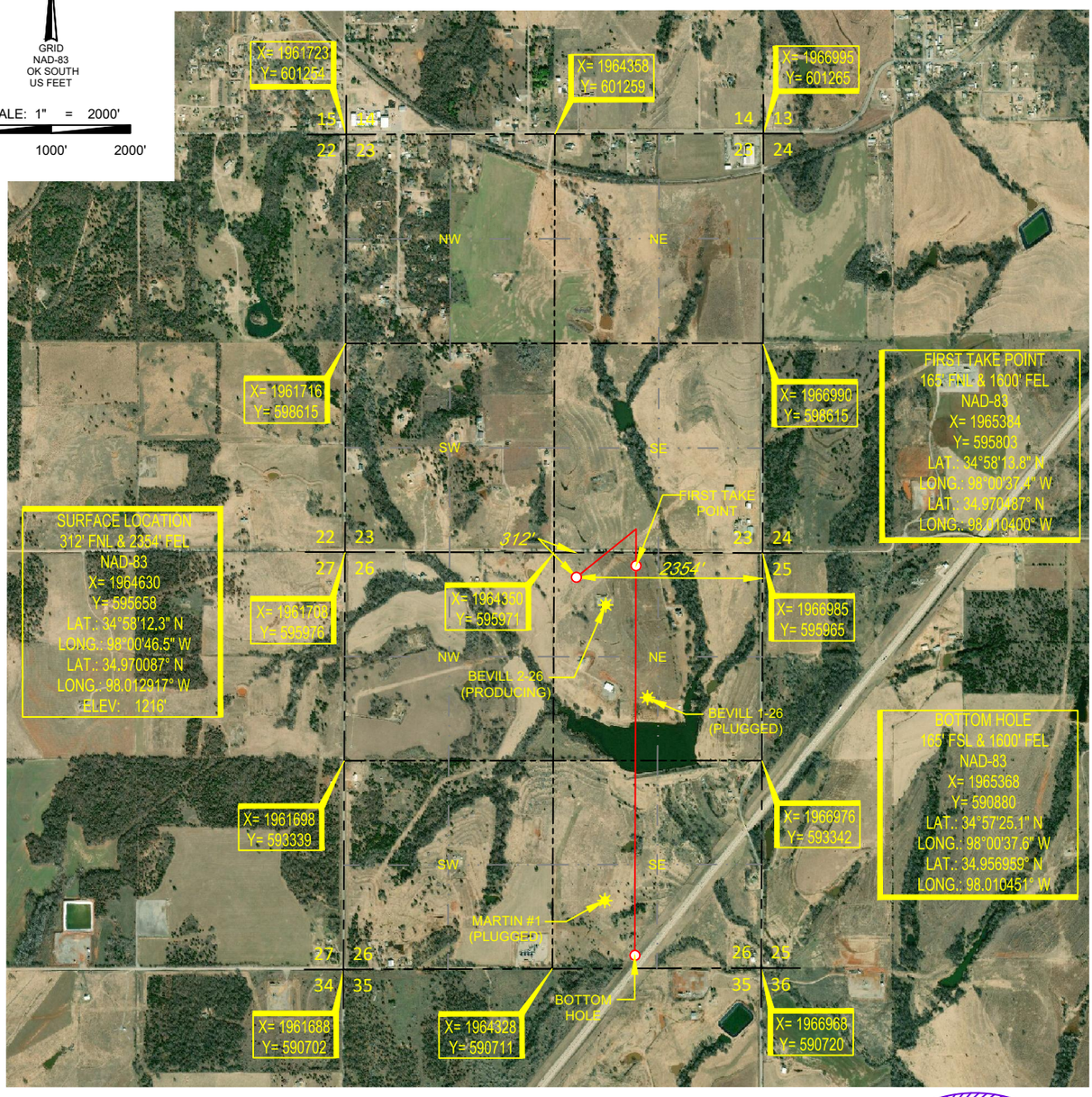
OK SOUTH
US FEET

SCALE: 1" = 2000'

0' 1000' 2000'



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LEASE NAME & WELL NO. BAILEY 26-1H

SECTION 26 TWP 6N RGE 8W MERIDIAN I.M.,
COUNTY GRADY STATE OKLAHOMA
DESCRIPTION 312' FNL & 2354' FEL

BAILEY 26-1H	REVISION: INT	DATE
DATE: 10/13/2020		
FILE:LO_BAILEY 26-1H		
DRAWN BY: KEU		
SHEET : 2 OF 2		

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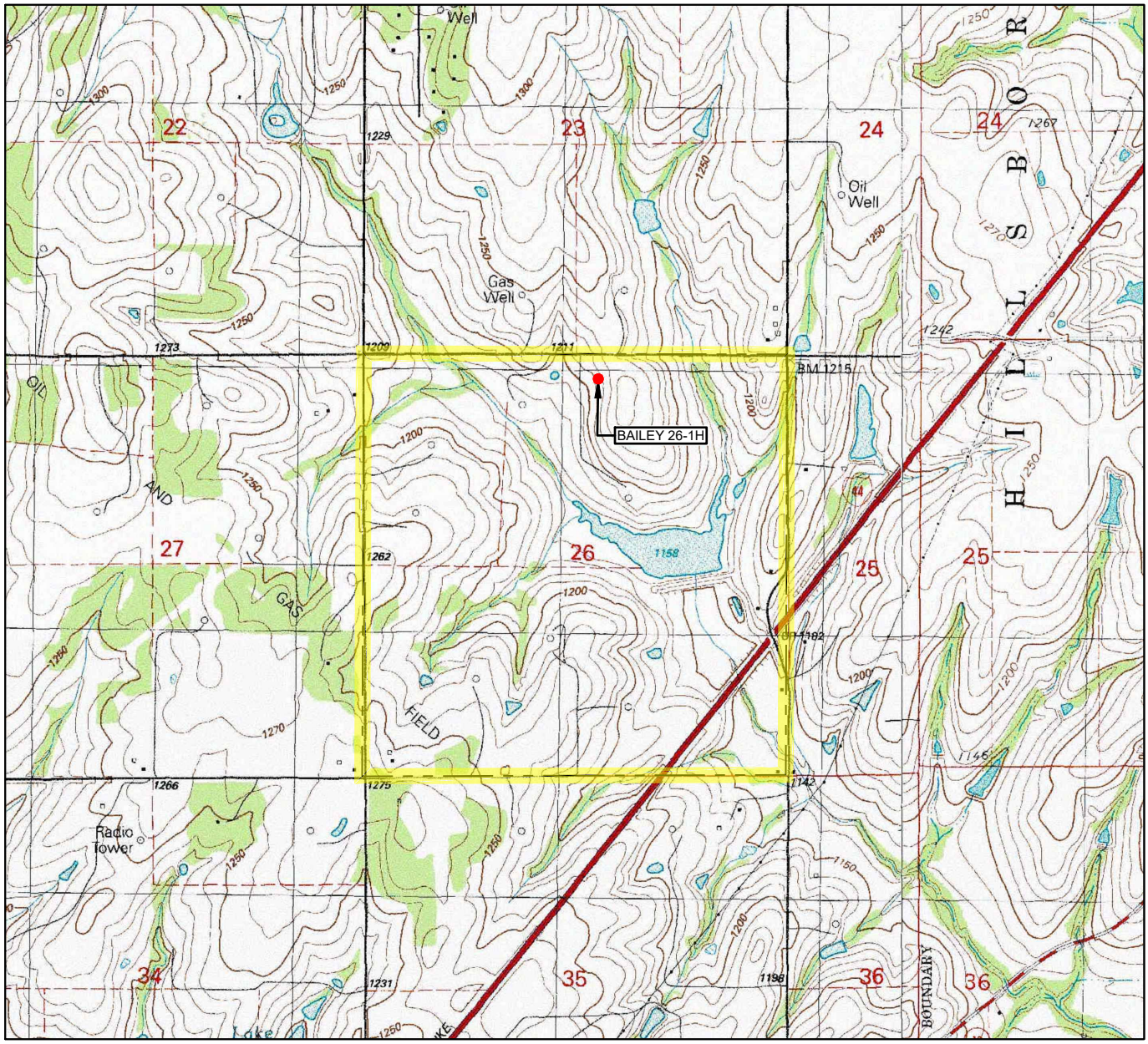
LOCATION & ELEVATION VERIFICATION MAP



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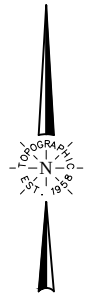
COUNTY GRADY STATE OKLAHOMA
DESCRIPTION 312' FNL & 2354' FEL
ELEVATION 1216'



SCALE: 1" = 2000'

0' 1000' 2000'

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ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE OKLAHOMA STATE PLANE COORDINATE SYSTEM, SOUTH ZONE OF THE NORTH AMERICAN DATUM 1983, U.S. SURVEY FEET AND THE NORTH AMERICAN VERTICAL DATUM OF 1988.

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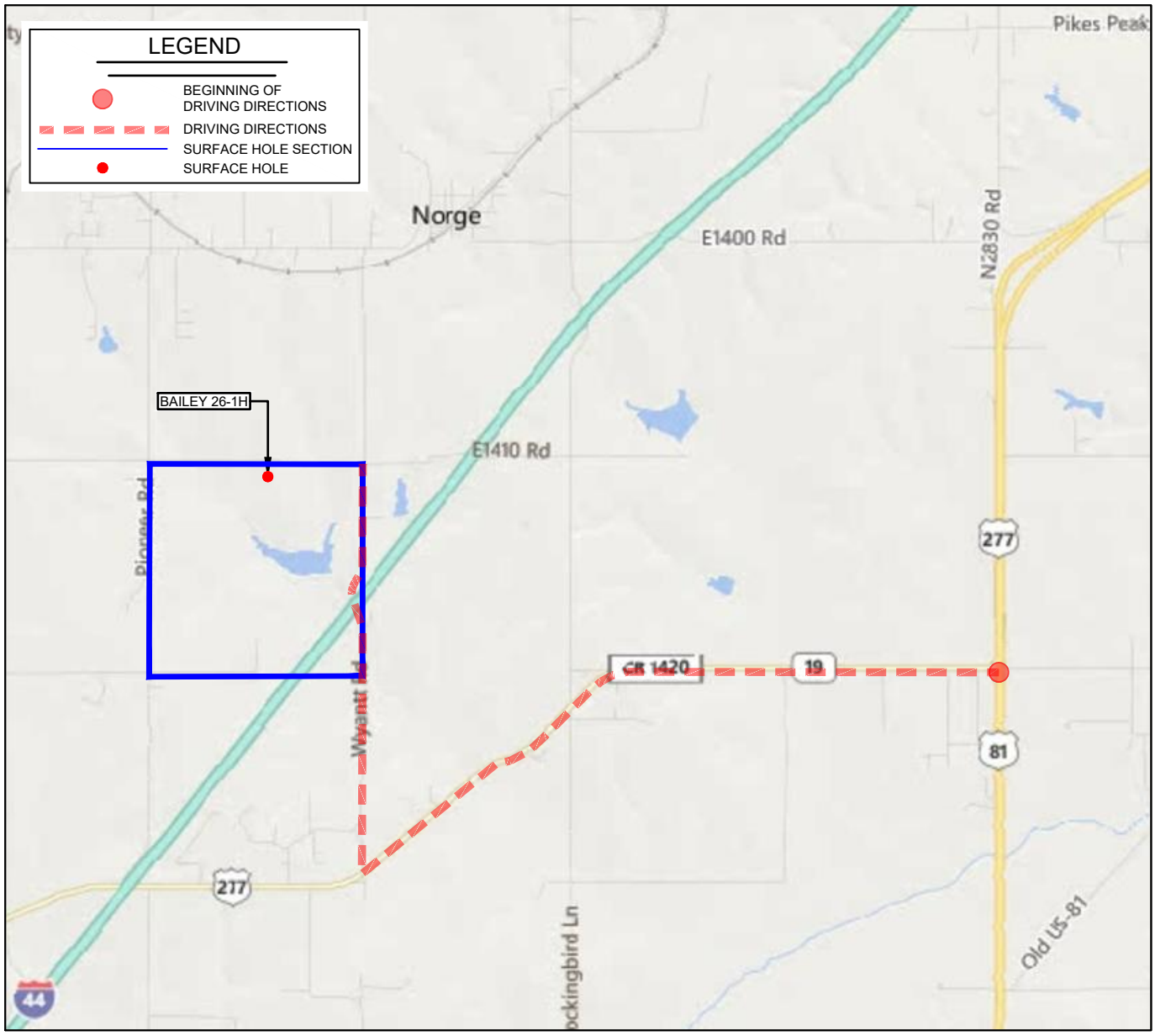
VICINITY MAP



LEASE NAME & WELL NO. BAILEY 26-1H

SECTION 26 TWP 6N RGE 8W MERIDIAN I.M.,
COUNTY GRADY STATE OKLAHOMA
DESCRIPTION 312' FNL & 2354' FEL
DISTANCE & DIRECTION
FROM THE JUNCTION OF US-81 & US-277/OK-19 GO ±3.25 MI. WEST ON US-277/OK-19, THEN ±2.0 MI. NORTH ON WYATT RD TO THE NORTHEAST CORNER OF SECTION 26-T6N-R8W.

THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY ALVARADO 2014 LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

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SCALE: 1" = 4000'
0' 2000' 4000'

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