

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

API NUMBER: 051 22984 B

Approval Date: 03/19/2019
Expiration Date: 09/19/2020

Directional Hole Oil & Gas

PERMIT TO RECOMPLETE

WELL LOCATION: Sec: 07 Twp: 5N Rge: 8W

County: GRADY

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1156 1620

Lease Name: PUFFY

Well No: 1-7

Well will be 1020 feet from nearest unit or lease boundary.

Operator Name: TERRITORY RESOURCES LLC

Telephone: 4055331300; 4055331

OTC/OCC Number: 22388 0

TERRITORY RESOURCES LLC
1511 S SANGRE RD
STILLWATER, OK 74074-1869

MICHAEL & LAVONNA SMITH
141 COUNTY ROAD 1440
CEMENT OK 73017

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

	Name	Depth	Name	Depth
1	MARCHAND	8216	6	
2	CULP	8900	7	
3			8	
4			9	
5			10	

Spacing Orders: 86290

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 10700

Ground Elevation: 1352

Surface Casing: 940 IP

Depth to base of Treatable Water-Bearing FM: 750

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

Approved Method for disposal of Drilling Fluids:

DIRECTIONAL HOLE 1

Sec 07 Twp 5N Rge 8W County GRADY

Spot Location of End Point: SW NW SE NW

Feet From: SOUTH 1/4 Section Line: 871

Feet From: WEST 1/4 Section Line: 1350

Measured Total Depth: 10700

True Vertical Depth: 10600

End Point Location from Lease,

Unit, or Property Line: 1350

Notes:

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX 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>8/23/2018 - G71 - 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: OCCEWEB.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>
PENDING CD - 201810759	<p>3/19/2019 - G58 - 7-5N-8W X86920 CULP, MRCD 1 WELL NO OP. NAMED HEARING 4/9/2019</p>
SPACING - 86290	<p>10/2/2018 - G57 - (640) 7-5N-8W VAC OTHER EST MRCD, CULP, OTHERS</p>