

API NUMBER: 043 23765

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

Approval Date: 09/22/2022

Expiration Date: 03/22/2024

Horizontal Hole

Oil & Gas

**PERMIT TO DRILL**

WELL LOCATION: Section: 34 Township: 19N Range: 15W County: DEWEY

SPOT LOCATION: ☐ SW ☐ SE ☐ SE ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 208 340

Lease Name: CHAIN Well No: 1-34MH Well will be 208 feet from nearest unit or lease boundary.

Operator Name: CRAWLEY PETROLEUM CORPORATION Telephone: 4052329700 OTC/OCC Number: 7980 0

CRAWLEY PETROLEUM CORPORATION  
105 N HUDSON AVE STE 800  
OKLAHOMA CITY, OK 73102-4803

CHAIN LAND AND CATTLE CO., INC.  
237687 STATE HIGHWAY 51  
CANTON OK 73724

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

| Name         | Code    | Depth |
|--------------|---------|-------|
| 1 MISS'AN LM | 359MPLM | 10250 |

Spacing Orders: 78076

Location Exception Orders: 727997

Increased Density Orders: No Density

Pending CD Numbers: No Pending

Working interest owners' notified: \*\*\*

Special Orders: No Special

Total Depth: 14856

Ground Elevation: 1931

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 290

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: 22-38556

H. (Other)

SEE MEMO

**PIT 1 INFORMATION**

Type of Pit System: ON SITE

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: 1B

Liner required for Category: 1B

Pit Location is: AP/TE DEPOSIT

Pit Location Formation: TERRACE

**PIT 2 INFORMATION**

Type of Pit System: ON SITE

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: 3

Liner required for Category: 3

Pit Location is: AP/TE DEPOSIT

Pit Location Formation: TERRACE

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: 34                    | Township: 19N         | Range: 15W | Meridian: IM | Total Length: 4884                 |
|                                | County: DEWEY         |            |              | Measured Total Depth: 14856        |
| Spot Location of End Point: NW | NE                    | NE         | NE           | True Vertical Depth: 11000         |
| Feet From: <b>NORTH</b>        | 1/4 Section Line: 165 |            |              | End Point Location from            |
| Feet From: <b>EAST</b>         | 1/4 Section Line: 400 |            |              | Lease, Unit, or Property Line: 165 |

**NOTES:**

| Category                                    | Description  |
|---|--|
| DEEP SURFACE CASING                         | [8/31/2022 - 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                        | <p>[8/31/2022 - 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: <a href="http://OCCEWEB.COM/OG/OGFORMS.HTML">OCCEWEB.COM/OG/OGFORMS.HTML</a>; 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 <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p> |
| INTERMEDIATE CASING                         | [8/31/2022 - GC2] - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES  |
| LOCATION EXCEPTION - 727997 (CD2022-002543) | <p>[9/21/2022 - GB7] - (I.O.) 34-19N-15W<br/>X78076 MPLM<br/>COMPL. INT. NCT 165' FNL, NCT 200' FSL, NCT 300' FEL<br/>CRAWLEY PETROLEUM CORPORATION<br/>8/30/2022</p>  |
| MEMO  | [8/31/2022 - GC2] - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT  |
| SPACING - 78076                             | [9/21/2022 - GB7] - (640) 34-19N-15W<br>EST MPLM, OTHERS   |