

API NUMBER: 063 24946

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

Approval Date: 06/28/2022
Expiration Date: 12/28/2023

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 08 Township: 6N Range: 9E County: HUGHES

SPOT LOCATION: SW SW SW SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 238 2540

Lease Name: MARGIE Well No: 0508-3HX Well will be 238 feet from nearest unit or lease boundary.
Operator Name: FOUNDATION ENERGY MANAGEMENT LLC Telephone: 9727072500 OTC/OCC Number: 22137 0

FOUNDATION ENERGY MANAGEMENT LLC
5057 KELLER SPRINGS ROAD STE 650
ADDISON, TX 75001-6583

DANE AND LAURA FORD
3888 N 3729 ROAD
HOLDENVILLE OK 74848

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

Name	Code	Depth
1 WOODFORD	319WDFD	5100

Spacing Orders: 688721

Location Exception Orders: No Exceptions

Increased Density Orders: No Density

Pending CD Numbers: 202201748
202201751
202201754
202201753

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 15100

Ground Elevation: 756

Surface Casing: 500

Depth to base of Treatable Water-Bearing FM: 40

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: 22-38386

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

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.

MULTI UNIT HOLE 1

Section: 5	Township: 6N	Range: 9E	Meridian: IM	Total Length: 10158
County: HUGHES				Measured Total Depth: 15100
Spot Location of End Point: NW NW NW NE				True Vertical Depth: 7000
Feet From: NORTH		1/4 Section Line: 164		End Point Location from
Feet From: EAST		1/4 Section Line: 2605		Lease, Unit, or Property Line: 164

NOTES:

Category	Description
DEEP SURFACE CASING	[6/20/2022 - 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>[6/20/2022 - 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>
MEMO	[6/20/2022 - GC2] - CLOSED SYSTEM=STEEL PITS (REQUIRED - LITTLE RIVER), OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
PENDING CD - 202201748	<p>[6/28/2022 - G56] - (E.O.) 5 & 8-6N-9E EST MULTIUNIT HORIZONTAL WELL X688721/716025 WDFD 50% 5-6N-9E 50% 8-6N-9E NO OP NAMED REC 6/24/2022 (MOORE)</p>
PENDING CD - 202201751	<p>[6/28/2022 - G56] - (E.O.) 5 & 8-6N-9E X688721/716025 WDFD COMPL INT (5-6N-9E) NCT 165' FSL, NCT 0' FNL, NCT 660' FEL COMPL INT (8-6N-9E) NCT 0' FSL, NCT 165' FNL, NCT 660' FEL NO OP NAMED REC 6/24/2022 (MOORE)</p>
PENDING CD - 202201753	<p>[6/28/2022 - G56] - (E.O.) 5-6N-9E X688721/716025 WDFD 3 WELLS NO OP NAMED REC 6/24/2022 (MOORE)</p>
PENDING CD - 202201754	<p>[6/28/2022 - G56] - (E.O.) 8-6N-9E X688721/716025 WDFD 3 WELLS NO OP NAMED REC 6/24/2022 (MOORE)</p>
SPACING - 688721	<p>[6/28/2022 - G56] - (640)(HOR) 5 & 8-6N-9E VAC 555901 WDFD EST WDFD, OTHERS COMPL INT NCT 165' FNL & FSL, NCT 330' FEL & FWL</p>
SPACING - 716025	<p>[6/28/2022 - G56] - (640)(HOR) 5 & 8-6N-9E CONFIRM 688721 WDFD AS TO NOTICE</p>



Well Location Plat

S.H.L. Sec. 8-6N-9E I.M.
B.H.L. Sec. 5-6N-9E I.M.

Operator: FOUNDATION ENERGY MANAGEMENT
Lease Name and No.: MARGIE 0508-3HX
Surface Hole Location: 238' FSL - 2540' FEL Gr. Elevation: 756'
SW/4-SW/4-SW/4-SE/4 Section: 8 Township: 6N Range: 9E I.M.
Bottom Hole Location: 164' FNL - 2605' FEL
NW/4-NW/4-NW/4-NE/4 Section: 5 Township: 6N Range: 9E I.M.
County: Hughes State of Oklahoma



All bearings shown
are grid bearings.

0' 660' 1320' 1980'

1" = 1320'

GPS DATUM

NAD 83

NAD 27

OK SOUTH ZONE

Surface Hole Loc.:
Lat: 35°00'01.36"N
Lon: 96°22'44.73"W
Lat: 35.00037799
Lon: -96.37909086
X: 2453923
Y: 610580

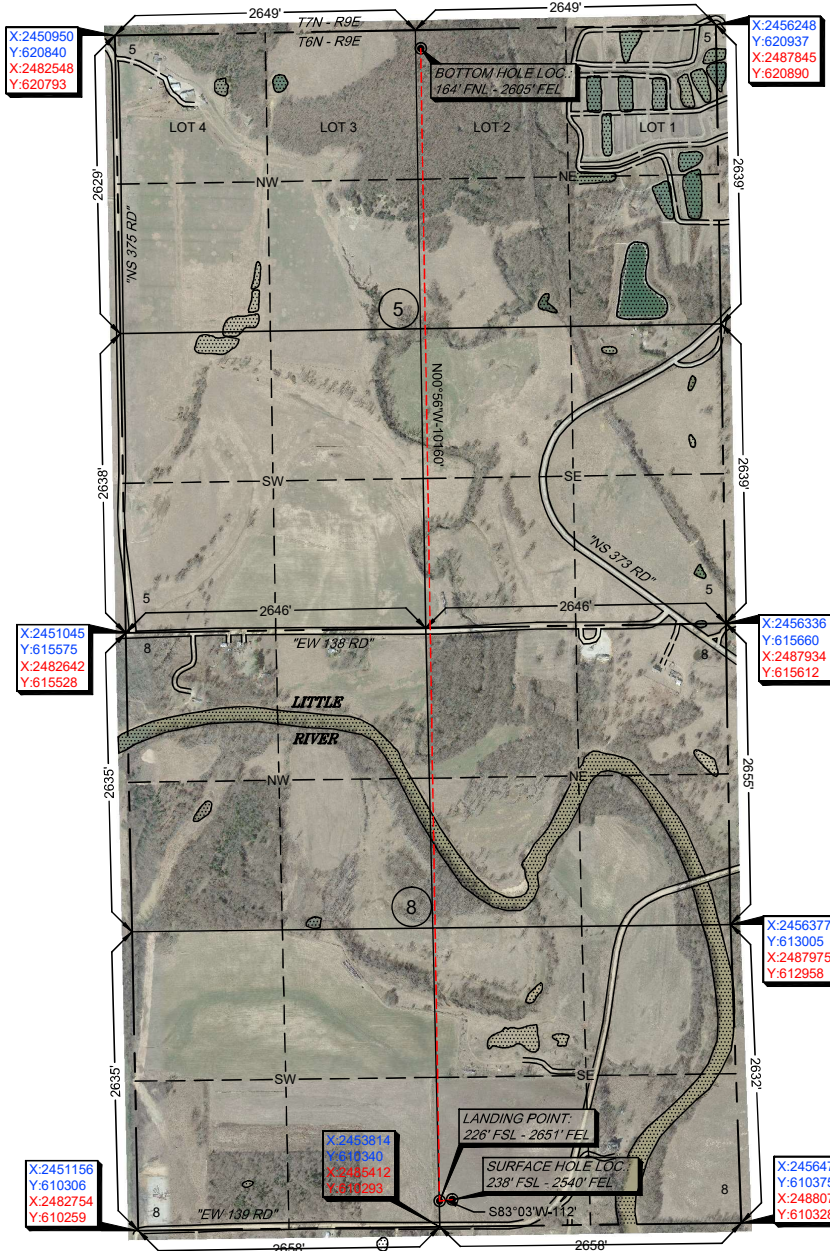
Surface Hole Loc.:
Lat: 35°00'01.05"N
Lon: 96°22'43.69"W
Lat: 35.00029225
Lon: -96.37880387
X: 2485521
Y: 610533

Landing Point:
Lat: 35°00'01.24"N
Lon: 96°22'46.06"W
Lat: 35.00034571
Lon: -96.37946227
X: 2453812
Y: 610566

Landing Point:
Lat: 35°00'00.94"N
Lon: 96°22'45.03"W
Lat: 35.00025998
Lon: -96.37917528
X: 2485410
Y: 610519

Bottom Hole Loc.:
Lat: 35°01'41.74"N
Lon: 96°22'46.10"W
Lat: 35.02826074
Lon: -96.37947213
X: 2453646
Y: 620725

Bottom Hole Loc.:
Lat: 35°01'41.43"N
Lon: 96°22'45.07"W
Lat: 35.02817542
Lon: -96.37918506
X: 2485244
Y: 620678



-Please note that this location was staked on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed. Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined. GPS data is observed from RTK - GPS.
-NOTE: X and Y data shown hereon for Section Corners may NOT have been surveyed on-the-ground, and further, does NOT represent a true Boundary Survey.
-Quarter Section distances may be assumed from a Government Survey Plat or assumed at a proportionate distance from opposing section corners, or occupation thereof, and may not have been measured on-the-ground, and further, does not represent a true boundary survey.

Survey and plat by:
Arkoma Surveying and Mapping, PLLC
P.O. Box 238 Wilburton, OK 74578
Ph. 918-465-5711 Fax 918-465-5030
Certificate of Authorization No. 5348
Expires June 30, 2022

Invoice #9992-B-A
Date Staked: 06/06/2022 By: H.S.
Date Drawn: 06/06/2022 By: J.L.

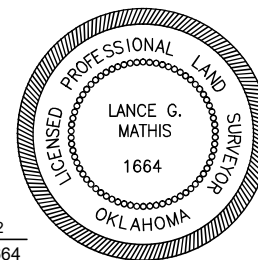
Certification:

This is to certify that this Well Location Plat represents the results of a survey made on the ground performed under the supervision of the undersigned.

Lance G. Mathis
LANCE G. MATHIS

06/06/2022

OK LPLS 1664





Well Location Plat

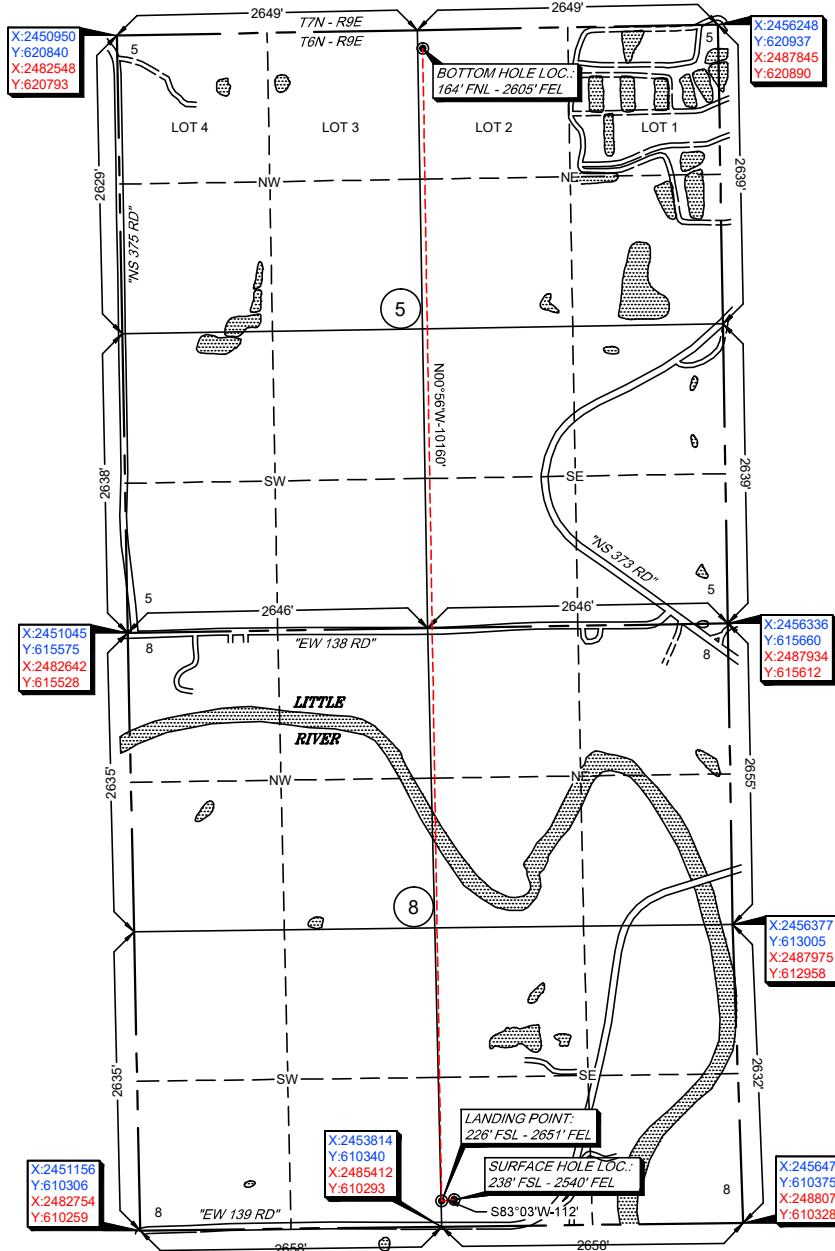
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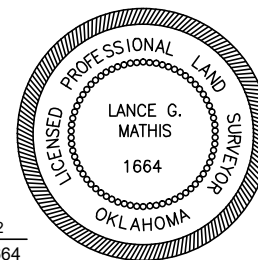
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Lance G. Mathis
LANCE G. MATHIS

06/06/2022

OK LPLS 1664



Invoice #9992-B-A

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Date Drawn: 06/06/2022 By: J.L.



Anti-Collision

Sec(s).5 & 8-6N-9E I.M.

Operator: FOUNDATION ENERGY MANAGEMENT

Lease Name and No.: MARGIE 0508-3HX

Surface Hole Location: 238' FSL - 2540' FEL

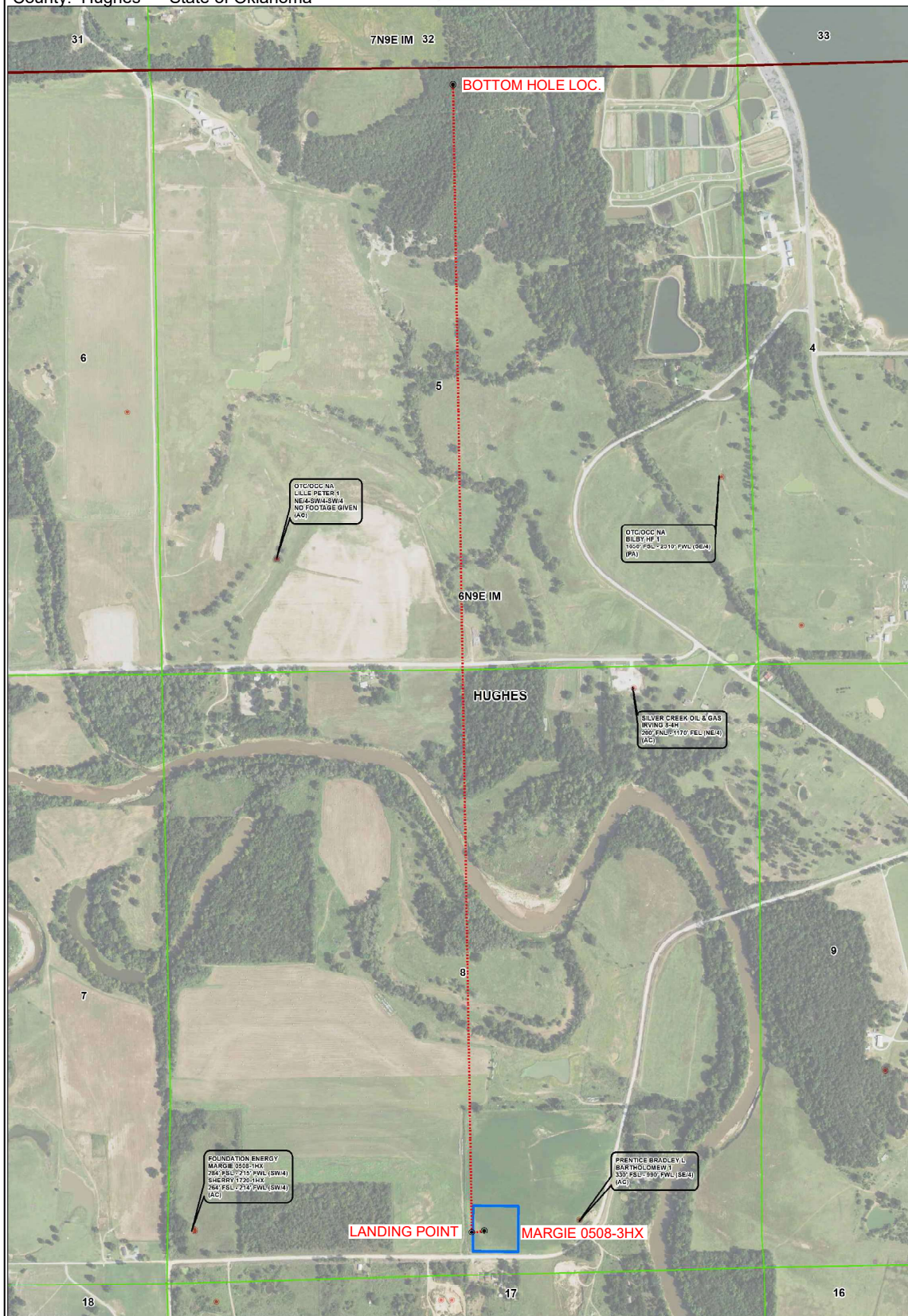
Landing Point: 226' FSL - 2651' FEL

Section: 8 Township: 6N Range: 9E I.M.

Bottom Hole Location: 164' FNL - 2605' FEL

Section: 5 Township: 6N Range: 9E I.M.

County: Hughes State of Oklahoma





Topographic Vicinity Map

Operator: FOUNDATION ENERGY MANAGEMENT

Lease Name and No.: MARGIE 0508-3HX

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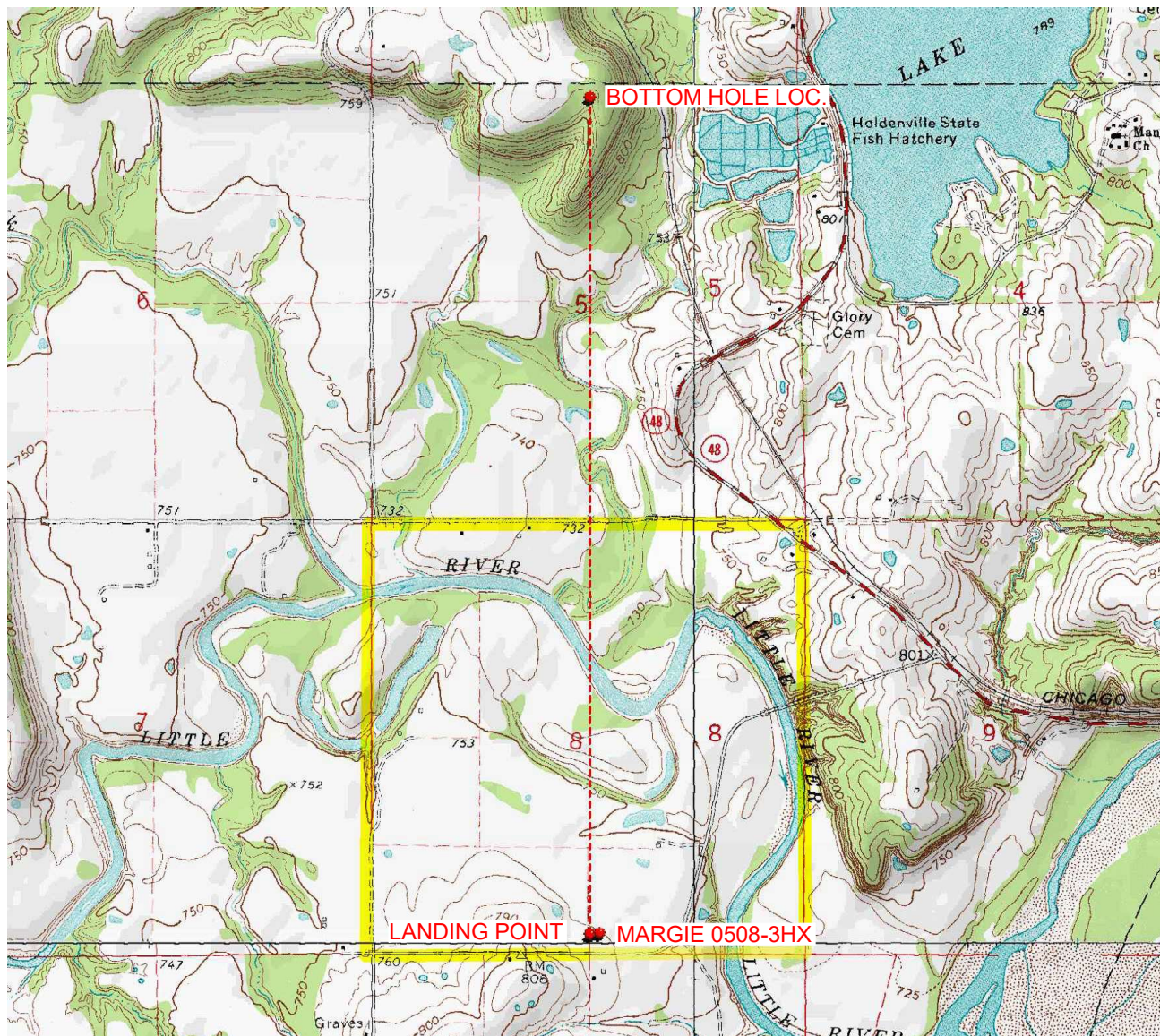
Section: 5 Township: 6N Range: 9E I.M.

County: Hughes State of Oklahoma

Ground Elevation at Surface Hole Location: 756'



Scale 1" = 2000'
Contour Interval: 10'



Provided by:

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Certificate of Authorization No. 5348

Expires June 30, 2022

Date Staked: 06/06/2022

The purpose of this map is to verify the location and elevation as staked on the ground and to show the surrounding Topographic features. The footage shown hereon is only as SCALED onto a U.S.G.S. Topographic Map.

Please note that this location was staked carefully on the ground under the supervision of a Licensed Professional Land Surveyor, but the accuracy of this survey is not guaranteed.

Please contact Arkoma Surveying and Mapping promptly if any inconsistency is determined.

County Highway Vicinity Map



Job #: 9992-B-A

Operator: FOUNDATION ENERGY MANAGEMENT

Lease Name and No.: MARGIE 0508-3HX

Accessibility: From the Northwest.

Directions: From the junction of "Spaulding Rd." and "EW 138 Rd." in Spaulding, OK, go 4.0 miles East on "EW 138 Rd.", go 0.5 mile Southeast on "D1380 Rd.", then go 1.25 miles Southwest on "EW 139 Rd." to the South line of Section 8-6N-9E, location is on the North side.

1 inch = 0.75 mile

provided by:
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