

API NUMBER: 053 23459 A

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

Approval Date: 11/17/2017

Expiration Date: 05/17/2018

Straight Hole Oil & Gas

Amend reason: UPDATE LE ORDER AND SPACING, CHANGE FORMATIONS

**AMEND PERMIT TO DRILL**

WELL LOCATION: Section: 33 Township: 25N Range: 3W County: GRANT

SPOT LOCATION: ☐ NW ☐ NW ☐ NW ☐ NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 165 165

Lease Name: STATE Well No: 1-33 Well will be 165 feet from nearest unit or lease boundary.

Operator Name: TERRITORY RESOURCES LLC Telephone: 4055331300; 4055331300 OTC/OCC Number: 22388 0

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

COMMISSIONERS OF THE LAND OFFICE  
SUITE 900  
204 NORTH ROBINSON  
OKLAHOMA CITY OK 73102

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

Name	Code	Depth
1 SIMPSON	202SMPS	5687

Spacing Orders: No Spacing

Location Exception Orders: 712302

Increased Density Orders: No Density Orders

Pending CD Numbers: No Pending

Special Orders: No Special Orders

Total Depth: 5875

Ground Elevation: 1049

Surface Casing: 170

Depth to base of Treatable Water-Bearing FM: 120

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: 17-33355  
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

**PIT 1 INFORMATION**

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 2500 Average: 1800

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: BED AQUIFER

Pit Location Formation: GARBER

**NOTES:**

Category	Description
FORMATION	6/19/2020 - GB1 - CHANGED FORMATION FROM LAYTON, WOODFORD AND WILCOX TO BE SIMPSON PER OPERATOR REQUEST
HYDRAULIC FRACTURING	10/31/2017 - G71 - OCC 165:10-3-10 REQUIRES:  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;  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,  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

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.

LOCATION EXCEPTION - 712302 (CD 201810341)	6/19/2020 - GB1 - (E.O.) NW4 33-25-03W X165:10-1-21 SMPS FIRST PERF (SMPS) 169.2' FNL, 189.4' FWL LAST PERF (SMPS) 169.0' FNL, 189.3' FWL TERRITORY RESOURCES, LLC 6/16/2020
SPACING	6/19/2020 - GB1 - FORMATION UNSPACED, 80-ACRE LEASE W2 NW4

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 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.