

API NUMBER: 121 24911

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

Approval Date: 08/08/2022
Expiration Date: 02/08/2024

Multi Unit Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 14 Township: 7N Range: 13E County: PITTSBURG

SPOT LOCATION: ☐ NW ☐ NE ☐ NW ☐ NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 222 1769

Lease Name: WADLEY NORTH Well No: 2-11/2H Well will be 222 feet from nearest unit or lease boundary.
Operator Name: SANGUINE GAS EXPLORATION LLC Telephone: 9184946070 OTC/OCC Number: 21381 0

SANGUINE GAS EXPLORATION LLC

TULSA, OK 74119-1199

SANGUINE GAS EXPLORATION, LLC

110 W. 7TH ST., STE. 2700

TULSA OK 74119

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

	Name	Code	Depth
1	MISSISSIPPIAN	359MSSP	5500
2	WOODFORD	319WDFD	6200

Spacing Orders: 726604
726605

Location Exception Orders: No Exceptions

Increased Density Orders: 726948
726949

Pending CD Numbers: 202201226
202201224

Working interest owners' notified: ***

Special Orders: No Special

Total Depth: 16750 Ground Elevation: 751

Surface Casing: 100

Depth to base of Treatable Water-Bearing FM: 50

Under Federal Jurisdiction: No
Fresh Water Supply Well Drilled: No
Surface Water used to Drill: Yes

Approved Method for disposal of Drilling Fluids:

F. Haul to Commercial soil farming facility	Sec. 14 Twn. 7N Rng. 9E Cnty. 63 Order No: 721553
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: BED AQUIFER

Pit Location Formation: THURMAN

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: BED AQUIFER

Pit Location Formation: THURMAN

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: 2	Township: 7N	Range: 13E	Meridian: IM	Total Length: 10235
County: PITTSBURG				Measured Total Depth: 16750
Spot Location of End Point: NW	NW	NE	NE	True Vertical Depth: 6200
Feet From: NORTH	1/4 Section Line: 165		End Point Location from	
Feet From: EAST	1/4 Section Line: 1200		Lease, Unit, or Property Line: 165	

NOTES:

Category	Description
HYDRAULIC FRACTURING	<p>[8/4/2022 - 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>
INCREASED DENSITY - 726948	<p>[8/8/2022 - G56] - (I.O.) 2-7N-13E X726604 WDFD 1 WELL SANGUINE GAS EXPLOR, LLC 7/18/2022</p>
INCREASED DENSITY - 726949	<p>[8/8/2022 - G56] - (I.O.) 11-7N-13E X726605 WDFD 1 WELL SANGUINE GAS EXPLOR, LLC 7/18/2022</p>
PENDING CD - 202201224	<p>[8/8/2022 - G56] - (I.O.) 2 & 11-7N-13E EST MULTIUNIT HORIZONTAL WELL X202201221 MSSP, WDFD, OTHER 2-7N-13E X202201222 MSSP, WDFD, OTHER 11-7N-13E (MSSP IS ADJACENT CSS TO WDFD) 50% 2-7N-13E 50% 11-7N-13E NO OP NAMED REC 6/7/2022 (MYLES)</p>
PENDING CD - 202201226	<p>[8/8/2022 - G56] - (I.O.) 2 & 11-7N-13E X726604 MSSP, WDFD, OTHER 2-7N-13E X726605 MSSP, WDFD, OTHER 11-7N-13E COMPL INT (11-7N-13E) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL INT (2-7N-13E) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL NO OP NAMED REC 6/7/2022 (MYLES)</p>
SPACING - 726604	<p>[8/8/2022 - G56] - (640)(HOR) 2-7N-13E EST MSSP, WDFD, OTHER COMPL INT (MSSP) POE TO BHL NCT 660' FB COMPL INT (WDFD) POE TO BHL NCT 165' FNL & FSL, NCT 330' FEL & FWL</p>
SPACING - 726605	<p>[8/8/2022 - G56] - (640)(HOR) 11-7N-13E EST MSSP, WDFD, OTHER COMPL INT (MSSP) POE TO BHL NCT 660' FB COMPL INT (WDFD) POE TO BHL NCT 165' FNL & FSL, NCT 330' FEL & FWL (COEXIST WITH SP # 536678 MSSP, WDFD)</p>