API NUMBER: 137 26049 B

Oil & Gas

Directional Hole

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

Approval Date:	04/08/2019
Expiration Date:	10/08/2020

PERMIT TO RECOMPLETE

WELL LOCATION: Sec: 2N Rge: 8W County: STEPHENS Twp: FEET FROM QUARTER: SPOT LOCATION: NORTH EAST S2 INE SE FROM SECTION LINES: 1120 660 Lease Name: DEFENDER Well No: 3-24 Well will be 660 feet from nearest unit or lease boundary. TERRITORY RESOURCES LLC Operator OTC/OCC Number: Telephone: 4055331300: 4055331 22388 0 Name: TERRITORY RESOURCES LLC WANDA HEFFINGTON TRUST 1511 S SANGRE RD RT 3. BOX 151 STILLWATER. OK 74074-1869 **MARLOW** OK 73055 Formation(s) (Permit Valid for Listed Formations Only): Name Depth Name Depth UPPER HOXBAR 1 10000 6 2 MIDDLE HOXBAR 10400 7 3 LOWER HOXBAR 10700 8 9 5 10 Spacing Orders: Location Exception Orders: Increased Density Orders: No Spacing Pending CD Numbers: 201900966 Special Orders: Total Depth: 16550 Ground Elevation: 1256 ΙP Surface Casing: 1569 Depth to base of Treatable Water-Bearing FM: 1120 Under Federal Jurisdiction: Fresh Water Supply Well Drilled: No Surface Water used to Drill: No. Approved Method for disposal of Drilling Fluids: **DIRECTIONAL HOLE 1** Rge 8W Sec 24 Twp 2N **STEPHENS** County Spot Location of End Point: SE NW SE SE Feet From: SOUTH 1/4 Section Line: 931 Feet From: **EAST** 1/4 Section Line: 702 Measured Total Depth: 16550

True Vertical Depth: 16263
End Point Location from Lease,

Unit, or Property Line: 702

Notes:

Category Description

HYDRAULIC FRACTURING 3/5/2019 - 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

PENDING CD - 201900966 4/2/2019 - GB1 - (320) S2 24-2N-8W

VAC 361956 HXBRU, HXBRM, HXBRL EXT 447159 HXBRU, HXBRM, HXBRL

REC. 4/2/2019 (MOORE)

TOTAL DEPTH 4/2/2019 - GB1 - OPERATOR VERIFIED TOTAL DEPTH IS 16550'