

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

API NUMBER: 137 26049 C

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

Directional Hole Oil & Gas

Amend reason: ADD FORMATIONS; UPDATE ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION: Section: 24 Township: 2N Range: 8W County: STEPHENS

SPOT LOCATION: FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 1120 660

Lease Name: DEFENDER Well No: 3-24 Well will be 660 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

WANDA HEFFINGTON TRUST
RT 3, BOX 151
MARLOW OK 73055

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

Name	Code	Depth
1 UPPER HOXBAR	405HXBRU	10000
2 MIDDLE HOXBAR	405HXBRM	10400
3 LOWER HOXBAR	405HXBRL	10700
4 DEESE	404DEESS	12500
5 ATOKA	403ATOK	13100

Spacing Orders: 699031 Location Exception Orders: No Exceptions Increased Density Orders: 482088
437029 711878
714428
506969

Pending CD Numbers: No Pending Special Orders: No Special Orders

Total Depth: 16550 Ground Elevation: 1256 Surface Casing: 1569 IP Depth to base of Treatable Water-Bearing FM: 1120

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

Approved Method for disposal of Drilling Fluids:

DIRECTIONAL HOLE 1
Section: 24 Township: 2N Range: 8W
County: STEPHENS Measured Total Depth: 16550
Spot Location of End Point: SE NW SE SE True Vertical Depth: 16263
Feet From: SOUTH 1/4 Section Line: 931 End Point Location from
Feet From: EAST 1/4 Section Line: 702 Lease, Unit, or Property Line: 702

NOTES:

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.

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: OCCWEB.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
INCREASED DENSITY - 482088	3/6/2020 - GB1 - S2 24-2N-8W X437029 ATOK, OTHER 1 WELL CHESAPEAKE OPERATING 10/29/2003
INCREASED DENSITY - 506969	3/6/2020 - GB1 - S2 24-2N-8W X437029 DEESS 1 WELL CHESAPEAKE OPERATING 6/16/2005
INCREASED DENSITY - 711878	6/10/2020 - GB1 - X482088 CHANGE OF OPERATOR TO TERRITORY RESOURCES, LLC
INCREASED DENSITY - 714428	9/17/2020 - GB1 - X506969 CHANGE OF OPERATOR TO TERRITORY RESOURCES, LLC
SPACING - 437029	3/6/2020 - GB1 - (320) S2 24-2N-8W LD SE EXT OTHERS EST DEESS, ATOK, OTHERS
SPACING - 699031	4/2/2019 - GB1 - (320) S2 24-2N-8W LD SE VAC 361956 HXBUR, HXBURM, HXBRL EXT 447159 HXBUR, HXBURM, HXBRL
TOTAL DEPTH	4/2/2019 - GB1 - OPERATOR VERIFIED TOTAL DEPTH IS 16550'

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