

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

API NUMBER: 123 23904

Approval Date: 08/11/2022
Expiration Date: 02/11/2024

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 34 Township: 2N Range: 7E County: PONTOTOC

SPOT LOCATION: SE NW NW NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 541 586

Lease Name: SHEPPARD Well No: 2R Well will be 541 feet from nearest unit or lease boundary.
Operator Name: SHADOWPEAK OPERATING LLC Telephone: 4058822456 OTC/OCC Number: 24739 0

SHADOWPEAK OPERATING LLC
10011 S PENNSYLVANIA AVE
OKLAHOMA CITY, OK 73159-6905

THE ESTATE OF LUCY SHEPPARD
22101 E COUNTY ROAD 1660
STONEWALL OK 74871

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

Name	Code	Depth
1 CROMWELL	402CMWL	3435

Spacing Orders: 419248 419558 Location Exception Orders: **No Exceptions** Increased Density Orders: **No Density**

Pending CD Numbers: **No Pending** Working interest owners' notified: *** Special Orders: **No Special**

Total Depth: 3675 Ground Elevation: 700 **Surface Casing: 575** Depth to base of Treatable Water-Bearing FM: 100

Deep surface casing has been approved

Approved Method for disposal of Drilling Fluids:	
F. Haul to Commercial soil farming facility	Sec. 2 Twn. 6S Rng. 4W Cnty. 67 Order No: 587652
H. (Other)	CLOSED SYSTEM=STEEL PITS (REQUIRED - CLEAR BOGGY CREEK)

PIT 1 INFORMATION	
Type of Pit System: CLOSED Closed System Means Steel Pits	Category of Pit: C
Type of Mud System: WATER BASED	Liner not required for Category: C
Chlorides Max: 8000 Average: 5000	Pit Location is: ALLUVIAL
Is depth to top of ground water greater than 10ft below base of pit? Y	Pit Location Formation: ALLUVIUM
Within 1 mile of municipal water well? N	
Wellhead Protection Area? N	
Pit <u>is</u> located in a Hydrologically Sensitive Area.	

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
DEEP SURFACE CASING	[7/26/2022 - 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>[7/26/2022 - 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>
SPACING – 419248	[8/11/2022 - GB7] - (UNIT) N2 & SE4 & N2 SW4 & N2 SE4 SW4 34-2N-7E EST CROMWELL SAND WATERFLOOD UNIT – JESSE FIELD FOR THE CMWL
SPACING – 419558	[8/11/2022 - GB7] - NPT 419248 TO CORRECT NAME TO CROMWELL SAND WATERFLOOD UNIT – JESSE FIELD

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