

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

API NUMBER: 003 23414

Approval Date: 08/18/2022

Expiration Date: 02/18/2024

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Section: 06 Township: 24N Range: 12W County: ALFALFA

SPOT LOCATION: NW SE SW NW FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 2024 749

Lease Name: PRESNALL TRUST Well No: 2-6 Well will be 749 feet from nearest unit or lease boundary.

Operator Name: KLO LLC Telephone: 9185999327; 9185999327 OTC/OCC Number: 16112 0

KLO LLC
321 S FRANKFORT AVE
TULSA, OK 74120-2428

NANCY JANE PRESNALL
3602 E. MARKET STREET
ENID OK 73701

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

Name	Code	Depth
1 DOUGLAS	406DGLS	4537
2 COTTAGE GROVE	405CGGV	5295

Spacing Orders: 724244

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: 6100

Ground Elevation: 1340

Surface Casing: 900

Depth to base of Treatable Water-Bearing FM: 440

Deep surface casing has been approved

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 22-38507

H. (Other) 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: 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: AP/TE DEPOSIT

Pit Location Formation: TERRACE

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	<p>[8/11/2022 - 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	[8/18/2022 - G56] - DGLS UNSPACED; 320-ACRE LEASE (W2)
SPACING - 724244	<p>[8/18/2022 - G56] - (320) W2 6-24N-12W VAC OTHER EST CGGV, OTHERS</p>

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