

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

API NUMBER: 049 24953

Approval Date: 06/14/2013  
Expiration Date: 12/14/2013

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 3N Rge: 1W County: GARVIN  
SPOT LOCATION:     FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 330 1750

Lease Name: ARTHUR Well No: 1-2 Well will be 330 feet from nearest unit or lease boundary.  
Operator Name: RAYDON EXPLORATION INC Telephone: 4054788585 OTC/OCC Number: 14683 0

RAYDON EXPLORATION INC  
1601 NW EXPRESSWAY STE 1300  
OKLAHOMA CITY, OK 73118-1462

LEWIS K. & DEBRA J. ARTHUR  
RT. 2, BOX 217  
PAULS VALLEY OK 73075

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

	Name	Depth	Name	Depth
1	WIMBERLY	4050	6	
2	VIOLA	4060	7	
3	BROMIDE BASAL	4080	8	
4	OIL CREEK BASAL	4790	9	
5			10	

Spacing Orders: 97971

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 4900

Ground Elevation: 887

**Surface Casing: 500**

Depth to base of Treatable Water-Bearing FM: 130

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3000

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: 1A

Liner required for Category: 1A

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 13-23585

H. 20-MIL LINER REQUIRED

Notes:

This permit does not address the right of entry or settlement of surface damages.  
The duration of this permit is SIX 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.

049 24953 ARTHUR 1-2

Category	Description
DEEP SURFACE CASING	6/14/2013 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
SPACING	6/14/2013 - G30 - VIOLA UNSPACED, 190 ACRE LEASE (SE4 & E2 SE4 SW4 & SE4 NE4 SW4)
SPACING - 97971	6/14/2013 - G30 - (40) 2-3N-1W EXT 55353 WMBL, OTHER (SE4) EST BRMBA, MCLSU, MCLSM, MCLBA, OLCKB, OTHER (S2)

This permit does not address the right of entry or settlement of surface damages.  
The duration of this permit is SIX 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.