API NUMBER: 039 22232 B

Straight Hole Oil & Gas

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

Approval Date: 07/22/2013
Expiration Date: 01/22/2014

PERMIT TO RECOMPLETE

WELL LOCATION: Sec: 31 Twp: 12N Rge: 20W County: CUSTER

SPOT LOCATION: C | SE | NW | NW

FEET FROM QUARTER: FROM **SOUTH** FROM **WEST**

SECTION LINES: **1650** **990**

Lease Name: FARNI **Well No: 1-31** **Well will be 990 feet from nearest unit or lease boundary.**

Operator Name: APACHE CORPORATION Telephone: 9184914900 OTC/OCC Number: 6778 0

APACHE CORPORATION
6120 S YALE AVE STE 1500
TULSA, OK 74136-4224

CARL FARNI
P.O. BOX 99
ELK CITY OK 73648

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

	Name	Depth		Name	Depth
1	HOXBAR	10150	6		
2			7		
3			8		
4			9		
5			10		

Spacing Orders: 130975

Location Exception Orders: 530051
576392

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14375 Ground Elevation: 1983 **Surface Casing: 1135 IP** Depth to base of Treatable Water-Bearing FM: 470

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

Approved Method for disposal of Drilling Fluids:

Notes:

Category	Description
CHANGE OF OPERATOR - 576392	7/22/2013 - G75 - X530051 CHANGE OP. TO APACHE CORP.
LOCATION EXCEPTION - 530051	7/22/2013 - G75 - 31-12N-20W X130975 HXBR, OTHERS 990 FNL, 990 FWL CIMAREX ENERGY CO. 9-21-06 (WELL SPUD 11-20-06)
SPACING - 130975	7/22/2013 - G75 - (640) 31-12N-20W EXT OTHERS EST HXBR, OTHERS

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.