

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

API NUMBER: 007 25637

Approval Date: 09/04/2013
Expiration Date: 03/04/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 4N Rge: 23ECM County: BEAVER

SPOT LOCATION: NE SW NW SE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1800 560

Lease Name: NEWTON Well No: 1-32 Well will be 560 feet from nearest unit or lease boundary.

Operator Name: LATIGO OIL AND GAS INC Telephone: 5802561416 OTC/OCC Number: 10027 0

LATIGO OIL AND GAS INC
PO Box 1208
WOODWARD, OK 73802-1208

M C & BONITA JAMES LVG. TR.
RT 2, BOX 24
BEAVER OK 73932

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

Name	Depth	Name	Depth
1 MARMATON	5820	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 615010

Location Exception Orders: 609757

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 7100

Ground Elevation: 2567

Surface Casing: 800

Depth to base of Treatable Water-Bearing FM: 240

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: 60000 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: 1B

Liner required for Category: 1B

Pit Location is BED AQUIFER

Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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.

007 25637 NEWTON 1-32

Category	Description
DEEP SURFACE CASING	9/3/2013 - 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 - 615010	9/3/2013 - G30 - (80) S2 32-4N-23ECM LD NW/SE EST MRMN

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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.

007 25637 NEWTON 1-32