

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

API NUMBER: 125 23823

Approval Date: 09/17/2013

Expiration Date: 03/17/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 9N Rge: 2E

County: POTTAWATOMIE

SPOT LOCATION: ☐ NE ☐ NW ☐ NW ☐ SE

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2480 490

Lease Name: SHAWNEE

Well No: 2

Well will be 160 feet from nearest unit or lease boundary.

Operator Name: CANNON OPERATING CO LLC

Telephone: 9729414218

OTC/OCC Number: 23102 0

CANNON OPERATING CO LLC  
3200 BROADWAY BLVD STE 220  
GARLAND, TX 75043-2500

THE JIA REN TRUST  
10 TOWN PLAZA #312  
DURANGO CO 81301

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

	Name	Depth		Name	Depth
1	SKINNER	5280	6	VIOLA	5550
2	RED FORK	5390	7	SYLVAN	5780
3	BARTLESVILLE	5450	8	SIMPSON	6000
4	WOODFORD	5480	9		
5	HUNTON	5510	10		

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201305145  
201305556

Special Orders:

Total Depth: 6500

Ground Elevation: 1066

Surface Casing: 420

Depth to base of Treatable Water-Bearing FM: 370

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

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: 1B

Liner required for Category: 1B

Pit Location is BED AQUIFER

Pit Location Formation: GARBER

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

B. Solidification of pit contents.

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.

Category	Description
CD 201305145	9/3/2013 - G72 -LE- N/2 SE 18-9N-2E; X 201305556 SKNR, RDFD, BRVL, WDFD, HNTN, VIOL, VLVN, SMPS 2480 FSL(160 FNL) AND 2150 FEL (490 FWL).( FOOTAGES FROM 80 LD UNIT TO BE FORMED) NO OP. NAMED REC 9/13/2013 (NORRIS)
CD 201305556	9/3/2013 - G72 -- N/2 SE 18-9N-2E- (80 LD) - EST SKNR, RDFK, BRVL, WDFD, HNTN, VIOL, SLVN, SMPS. SHAWNEE #1 WELL WILL BE UNIT WELL. EMERGNECY REC 9/13/2013 (NORRIS).