

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

API NUMBER: 095 20619 A

Approval Date: 09/11/2013
Expiration Date: 03/11/2014

Straight Hole Oil & Gas

Amend reason: CHANGE SHL

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 36 Twp: 4S Rge: 5E County: MARSHALL
SPOT LOCATION: S2 N2 NW SE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2130 660

Lease Name: LOGAN BEARD Well No: 2-36 Well will be 1980 feet from nearest unit or lease boundary.
Operator Name: CONTINENTAL EXPLORATION LLC Telephone: 2146158558 OTC/OCC Number: 21863 0

CONTINENTAL EXPLORATION LLC
275 W CAMPBELL RD STE 440
RICHARDSON, TX 75080-8006

LOGAN BEARD
PO BOX 128
MADILL OK 73446

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

| Name | Depth | Name | Depth |
|------------|-------|---------|-------|
| 1 SPRINGER | 5600 | 6 VIOLA | 7515 |
| 2 CANEY | 6500 | 7 | |
| 3 SYCAMORE | 6650 | 8 | |
| 4 WOODFORD | 6780 | 9 | |
| 5 HUNTON | 7135 | 10 | |

Spacing Orders: 533420

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201305874

Special Orders:

Total Depth: 7550

Ground Elevation: 780

Surface Casing: 730

Depth to base of Treatable Water-Bearing FM: 680

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: CADDO

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

PERMIT NO: 13-24280

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION

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.

095 20619 LOGAN BEARD 2-36

| Category | Description |
|------------------------|---|
| PENDING CD - 201305874 | 9/11/2013 - G30 - 36-4S-5E X533420 SCMR, WDFD, HNTN, VIOL 1 WELL NO OP. NAMED HEARING 10/1/13 |
| SPACING - 533420 | 9/5/2013 - G30 - (640) 36-4S-5E DEL 242033 CNEY, SCMR, WDFD, HNTN, VIOL EXT 434368 SPRG, CNEY, SCMR, WDFD, HNTN, VIOL, OTHERS |

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