

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

API NUMBER: 103 24564 B

Approval Date: 08/15/2013  
Expiration Date: 02/15/2014

Straight Hole Oil & Gas

Amend reason: OCC CORRECTION FOR PIT CATEGORY

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 35 Twp: 22N Rge: 2W

County: NOBLE

SPOT LOCATION:  SE  NE  NW  NE

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2150 1270

Lease Name: GANG

Well No: 3-35

Well will be 490 feet from nearest unit or lease boundary.

Operator Name: THREE SANDS OIL INC

Telephone: 5803362410

OTC/OCC Number: 6889 0

THREE SANDS OIL INC  
P.O. Box 853  
PERRY, OK 73077-0853

CAROLYN GANG & EDWARD NOLTENSMEYER  
1115 W. NEWMAN AVE.  
STILLWATER OK 74075

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

Name	Depth	Name	Depth
1 LAYTON	3990	6 MARSHALL	4990
2 BIG LIME	4290	7 WILCOX	5060
3 OSWEGO	4360	8	
4 WOODFORD	4880	9	
5 VIOLA	4930	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 5100

Ground Elevation: 0

**Surface Casing: 270**

Depth to base of Treatable Water-Bearing FM: 220

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

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: 1B

Liner required for Category: 1B

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SEE MEMO

Notes:

This permit does not grant 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
MEMO	10/1/2013 - G75 - SOIL COMPACTED PIT PER OCC FIELD INSPECTOR, NOTIFY OCC DISTRICT OFFICE PRIOR TO TESTING SOIL PIT LINER
SPACING	8/13/2013 - G75 - FORMATIONS UNSPACED; 80-ACRE LEASE (N2 NE4)

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.