

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

API NUMBER: 153 23548

Approval Date: 10/03/2013
Expiration Date: 04/03/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 21N Rge: 22W County: WOODWARD
SPOT LOCATION: C S2 N2 N2 FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 990 2640

Lease Name: MCGU Well No: 4-33 Well will be 990 feet from nearest unit or lease boundary.
Operator Name: WHEELER ENERGY LLC Telephone: 9185877474 OTC/OCC Number: 22145 0

WHEELER ENERGY LLC
PO Box 1439
TULSA, OK 74101-1439

DARRELL ALLISON
4126 ROUND TOP DRIVE
HONOLULU HI 96822

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

Name	Depth	Name	Depth
1 COTTAGE GROVE	7600	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 530919

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 7650

Ground Elevation: 2355

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 620

Under Federal Jurisdiction: Yes

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: 50000 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.

153 23548 MCGU 4-33

Category	Description
DEEP SURFACE CASING	10/1/2013 - 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 - 530919	10/2/2013 - G30 - (UNIT) N2 33-21N-22W EST MARSTON COTTAGE GROVE UNIT FOR CGGV

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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.