

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

API NUMBER: 031 21635

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

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 1S Rge: 10W County: COMANCHE
SPOT LOCATION: NE SW SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 496 1813

Lease Name: SHERMAN Well No: 2 Well will be 496 feet from nearest unit or lease boundary.
Operator Name: FRENCH OIL INC Telephone: 5802483131 OTC/OCC Number: 16535 0

FRENCH OIL INC
2401 SE 45TH ST
LAWTON, OK 73501-9454

BLAKE FRENCH
2401 SE 45TH
LAWTON OK 73501

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

Name	Depth	Name	Depth
1 ZYPSIE	2330	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2450 Ground Elevation: 1047 Surface Casing: 0 Depth to base of Treatable Water-Bearing FM: 90

Cement will be circulated by use of a two-stage cementing tool from 190 to 0 .

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: 1A

Liner required for Category: 1A

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. CBL REQUIRED, 20-MIL LINER REQUIRED

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
ALTERNATE CASING	10/10/2013 - G71 - APPROVED CONTINGENT ON (1) MUDDING UP PRIOR TO TD TO PROTECT SHALLOW SANDS & (2) COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C)
SPACING	10/10/2013 - G30 - FORMATION UNSPACED, 160 ACRE LEASE (SW4)

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.