

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

API NUMBER: 153 23549

Approval Date: 11/04/2013
Expiration Date: 05/04/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 23N Rge: 20W County: WOODWARD
SPOT LOCATION: C N2 NE SE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2310 1980

Lease Name: LYLA Well No: 2-14 Well will be 660 feet from nearest unit or lease boundary.
Operator Name: TOKLAN OIL & GAS CORPORATION Telephone: 9188787480 OTC/OCC Number: 10043 0

TOKLAN OIL & GAS CORPORATION
7404 S YALE AVE
TULSA, OK 74136-7029

LYLA K. RICHARD & THE RICHARD IRREVOCABLE TRUST
15501 PERSIMMON CREED RD
JONES OK 73049

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

	Name	Depth	Name	Depth
1	TONKAWA	5980	6	
2	COTTAGE GROVE	6400	7	
3	KANSAS CITY	6600	8	
4			9	
5			10	

Spacing Orders: 457695 Location Exception Orders: 615125 Increased Density Orders: 615200
254306

Pending CD Numbers:

Special Orders:

Total Depth: 6750 Ground Elevation: 1944 **Surface Casing: 380** Depth to base of Treatable Water-Bearing FM: 330

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

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: 30000 Average: 5000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? Y

Wellhead Protection Area? Y

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-23850
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.

Category	Description
INCREASED DENSITY - 615200	10/22/2013 - G30 - 14-23N-20W X457695 KSSC 1 WELL TOKLAN OIL AND GAS CORPORATION 8/26/13
LOCATION EXCEPTION - 615125	10/22/2013 - G30 - 14-23N-20W X254306 TNKW, CGGV X457695 KSSC 2310 FSL, 660 FEL NO OP. NAMED 8/22/13
MUNICIPAL WATER WELLS/WELLHEAD PROTECTION AREAS	10/17/2013 - G71 - WOODWARD BOY SCOUT CAMP - 1 WELL, NW/4 24-23N-20W, WOODWARD GIRL SCOUT CAMP - 1 WELL, NE/4 23-23N-20W, & BOILING SPRINGS ESTATES - 1 WELL, NW/4 23-23N-20W
SPACING - 254306	10/22/2013 - G30 - (640) 14-23N-20W EXT 229822 TNKW, OSWG EXT 153232 CGGV EXT 246821 KSSC (REFORMED BY 379795)
SPACING - 457695	10/22/2013 - G30 - (640) 14-23N-20W VAC 379795 KSSC EXT 246821 KSSC

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