

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

API NUMBER: 103 24607

Approval Date: 11/26/2013  
Expiration Date: 05/26/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 20N Rge: 1W County: NOBLE  
SPOT LOCATION:  E2  SW  NW  SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 1650 430

Lease Name: MR. BILL Well No: 1 Well will be 430 feet from nearest unit or lease boundary.

Operator Name: DIAMOND PRODUCTION COMPANY LLC Telephone: 4055208888 OTC/OCC Number: 22071 0

DIAMOND PRODUCTION COMPANY LLC  
P.O. Box 15238  
DEL CITY, OK 73115-5238

JACK LEFORCE  
1205 OLDE NORTH PLACE  
EDMOND OK 73034

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

Name	Depth	Name	Depth
1 VERTZ	1400	6 OSWEGO	4370
2 HOOVER	1970	7 RED FORK	4660
3 COTTAGE GROVE	3710	8 MISSISSIPPIAN	4870
4 CLEVELAND UP	4250	9 MISENER	5190
5 CLEVELAND LOW	4285	10 HUNTON	5200

Spacing Orders: 267727  
468833

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201307468

Special Orders:

Total Depth: 5250 Ground Elevation: 997 **Surface Casing: 300** Depth to base of Treatable Water-Bearing FM: 210

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: 7000 Average: 2500

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

PERMIT NO: 13-24663

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
PENDING CD - 201307468	11/6/2013 - G75 - (IRR UNIT) SW4 NW4, NW4 SW4 27 & SE4 NE4, NE4 SE4 28-20N-1W X468833 MSNR 330 FSL, 890 FEL NO OP. NAMED REC 11-25-2013 (CANDLER)
SPACING	10/21/2013 - G75 - VERTZ, HOOVER, COTTAGE GROVE, HUNTON UNSPACED; 160-ACRE LEASE (SW4)
SPACING - 267727	10/18/2013 - G75 - (40) SW4 NW4 & SW4 27-20N-1W EXT 154424 CLVDU, CLVDL EXT 179979 OSWG, RDFK, MSNR (VAC MSNR SW4 NW4, NW4 SW4 BY 468833), OTHERS EXT 196069 MSSP EST OTHERS
SPACING - 468833	10/18/2013 - G75 - (160)(IRR UNIT) SW4 NW4, NW4 SW4 27 & SE4 NE4, NE4 SE4 28-20N-1W) VAC 267727 MSNR SW4 NW4, NW4 SW4 27-20N-1W VAC OTHER EST MSNR

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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.