

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

API NUMBER: 071 24568 A

Approval Date: 08/08/2012
Expiration Date: 02/08/2013

Straight Hole Oil & Gas

Amend reason: CORRECT FOOTAGE

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 25N Rge: 1E

County: KAY

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 330 1650

Lease Name: RENCE TRUST

Well No: 1-21

Well will be 330 feet from nearest unit or lease boundary.

Operator Name: COVINGTON OIL COMPANY INC

Telephone: 4058428727

OTC/OCC Number: 2990 0

COVINGTON OIL COMPANY INC
PO Box 54470
OKLAHOMA CITY, OK 73154-1470

VELVA RENCE LIVING TRUST
15551 W. NORTH AVE.
TONKAWA OK 74653

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

Name	Depth	Name	Depth
1 TONKAWA	3100	6 RED FORK	4050
2 LAYTON	3200	7 MISSISSIPPI	4350
3 BIG LIME	3500	8 WOODFORD	4580
4 OSWEGO	3940	9	
5 SKINNER	3950	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 4600

Ground Elevation: 961

Surface Casing: 250

Depth to base of Treatable Water-Bearing FM: 170

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 12-21061

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.

Category	Description
SPACING	8/8/2012 - G30 - FORMATIONS UNSPACED, 80 ACRE LEASE (E2 SW4)
SURFACE CASING	8/8/2012 - G71 - MIN. 250' PER ORDER 240901

This permit does not address the right of entry or settlement of surface damages.
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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.

071 24568 RENGE TRUST 1-21