

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

API NUMBER: 071 24719

Approval Date: 12/04/2013
Expiration Date: 06/04/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 24 Twp: 25N Rge: 1E County: KAY
SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2310 460

Lease Name: STEICHEN Well No: 24-7 Well will be 330 feet from nearest unit or lease boundary.

Operator Name: INTERNATIONAL ENERGY CORPORATION Telephone: 9187437300 OTC/OCC Number: 22390 0

INTERNATIONAL ENERGY CORPORATION
1801 E 71ST
TULSA, OK 74136-3922

ROBERT E. AND MARGARET L. STEICHEN
1825 E. TONKAWA
TONKAWA OK 74653

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

Name	Depth	Name	Depth
1 LAYTON	3114	6 MISSISSIPPI LIME	4188
2 CLEVELAND	3474	7 WOODFORD	4491
3 SKINNER	3858	8 WILCOX	4555
4 RED FORK	4096	9	
5 MISSISSIPPI CHAT	4148	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 4600 Ground Elevation: 932 **Surface Casing: 250** Depth to base of Treatable Water-Bearing FM: 150

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

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-24988
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, 20 MIL LINED TRENCH PIT FOR SOIL FARMING

Notes:

This permit does not transfer 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	12/4/2013 - G30 - FORMATIONS UNSPACED, 40 ACRE LEASE (NW4 NW4)
SURFACE CASING	11/26/2013 - G71 - MIN. 250' PER ORDER 240901

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.

071 24719 STEICHEN 24-7