

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

API NUMBER: 105 41129

Approval Date: 12/10/2013

Expiration Date: 06/10/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 25N Rge: 14E County: NOWATA

SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2460 1650

Lease Name: LEHMANN Well No: 1 Well will be 180 feet from nearest unit or lease boundary.

Operator Name: CBM GAS COMPANY LLC

Telephone: 9185341334

OTC/OCC Number: 21569 0

CBM GAS COMPANY LLC

P.O. Box 579

DEWEY, OK 74029-0579

E. E. & EVELYN HOLLISTER

ROUTE 1, BOX 246

NOWATA OK 74048

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

	Name	Depth		Name	Depth
1	BIG LIME	303	6	RED FORK	835
2	PERU	401	7	BARTLESVILLE	998
3	COAL (PENNSYLVANIAN)	612	8	ROWE COAL	1178
4	PRUE	637	9	BURGESS	1193
5	SKINNER	727	10	MISSISSIPPIAN	1208

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 1300

Ground Elevation: 677

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 40

Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: AIR

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 not located in a Hydrologically Sensitive Area.

Category of Pit: 4

Liner not required for Category: 4

Pit Location is NON HSA

Pit Location Formation: COFFEYVILLE/CHECKERB

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. CBL 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	12/5/2013 - G71 - APPROVED; COPY OF CBL NEEDS TO BE SUBMITTED TO OCC TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED PER OCC 165:10-3-4(D)(4) (C)
SPACING	12/9/2013 - G75 - FORMATIONS UNSPACED; 90-ACRE LEASE (NE4 NW4, N2 SE4 NW4, SE4 SE4 NW4, W2 SW4 NE4)