

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

API NUMBER: 153 23550 A

Approval Date: 11/19/2013
Expiration Date: 05/19/2014

Straight Hole Oil & Gas

Amend reason: AMEND SHL

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 20N Rge: 20W County: WOODWARD
SPOT LOCATION: S2 S2 SW NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 2514 660

Lease Name: FREEDOM Well No: 2 Well will be 660 feet from nearest unit or lease boundary.
Operator Name: DANICK OPERATING USA INC Telephone: 2148272223 OTC/OCC Number: 23273 0

DANICK OPERATING USA INC
6220 GASTON AVE STE 308
DALLAS, TX 75214-4369

SHAWN CAMPBELL
14525 LOOP RD 143
PERRYTON TX 79072

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

Name	Depth	Name	Depth
1 MORROW	8900	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 73250

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201307173
201307174

Special Orders:

Total Depth: 9550 Ground Elevation: 2134 **Surface Casing: 490** Depth to base of Treatable Water-Bearing FM: 440

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: 8000 Average: 5000

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 BED AQUIFER

Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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
PENDING CD - 201307173	11/18/2013 - G30 - 4-20N-20W X73250 MRRW NCT 990 FNL, NCT 660 FWL NO OP. NAMED REC 11/18/13 (LEAVITT)
PENDING CD - 201307174	11/18/2013 - G30 - 4-20N-20W X73250 MRRW 1 WELL NO OP. NAMED REC 11/18/13 (LEAVITT)
SPACING - 73250	11/18/2013 - G30 - (640) 4-20N-20W EST MRRW

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