API NUMBER: 093 24981

Oil & Gas

Straight Hole

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

Approval Date: 01/07/2014
Expiration Date: 07/07/2014

PERMIT TO DRILL

| | | I LIXIMIT TO DIX | <u>LL</u> | |
|---|-----------------------|--|-------------------------------|--|
| WELL LOCATION: Sec: 05 Twp: 21N Rge: 14W | County: MAJ | OR | | |
| SPOT LOCATION: SE SW NE NE FE | ET FROM QUARTER: FROM | NORTH FROM E | AST | |
| SE | CTION LINES: | 1130 9 | 20 | |
| Lease Name: CHEVAL | Well No: | 7-4 | Well will | be 920 feet from nearest unit or lease boundary. |
| Operator JOLEN OPERATING COMPANY Name: | | Telephone: 4052 | 358444 | OTC/OCC Number: 11403 0 |
| | | | | |
| JOLEN OPERATING COMPANY | | | ROLAND E. SODO | WSKY |
| 100 N BROADWAY AVE STE 2460 | | | 307 W. JEFFERSON | |
| OKLAHOMA CITY, OK 73 | 102-8829 | | | |
| | | | PITTSBURG | KS 66762 |
| Formation(s) (Permit Valid for Listed Formation | tions Only): Depth | | Name | Depth |
| 1 CHEROKEE | 6901 | 6 | | |
| 2 | | 7 | | |
| 3 | | 8 | | |
| 4 | | 9 | | |
| 5 | | 10 | | |
| Spacing Orders: 64660 | Location Exception | Orders: | | Increased Density Orders: |
| Pending CD Numbers: | | | | Special Orders: |
| Total Depth: 7100 Ground Elevation: 1430 | Surface | Casing: 570 | De | epth to base of Treatable Water-Bearing FM: 520 |
| Under Federal Jurisdiction: Yes | Fresh Wate | r Supply Well Drilled: | No | Surface Water used to Drill: No |
| PIT 1 INFORMATION | | Appro | oved Method for disposal of D | rilling Fluids: |
| Type of Pit System: CLOSED Closed System Means Steel | Pits | | | |
| Type of Mud System: WATER BASED | | D. C | ne time land application (R | EQUIRES PERMIT) PERMIT NO: 13-26017 |
| Chlorides Max: 90000 Average: 20000 | | H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST | | |
| Is depth to top of ground water greater than 10ft below base of | 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: C | | | | |
| Liner not required for Category: C | | | | |
| Pit Location is NON HSA | | | | |
| Pit Location Formation: FLOWERPOT | | | | |

Notes:

Category Description

FRAC FOCUS

12/31/2013 - G71 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FOR HYDRAULIC FRACTURING OPERATIONS BEGINNING JANUARY 1, 2014. REFER TO OCC RULE 165:10-3-10 FOR COMPLIANCE REQUIREMENTS. PLEASE REPORT DIRECTLY TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ OR FOR OCC

ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM

SPACING - 64660 1/6/2014 - G75 - (UNIT) E2 5-21N-14W

EST CHEVAL UNIT FOR CHRK