

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

API NUMBER: 105 41133

Approval Date: 01/08/2014

Expiration Date: 07/08/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 26N Rge: 14E County: NOWATA

SPOT LOCATION: ☐ SE ☐ NE ☐ SE ☐ SE FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 960 2475

Lease Name: THE SOONER Well No: 3 Well will be 165 feet from nearest unit or lease boundary.

Operator Name: ROCKY TOP ENERGY LLC

Telephone: 9182737444

OTC/OCC Number: 22945 0

ROCKY TOP ENERGY LLC
114 S MAPLE ST
NOWATA, OK 74048-3402

CANDY CREEK RANCH
P.O. BOX 727
NOWATA OK 74048

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

| | Name | Depth | Name | Depth |
|---|--------------|-------|------|-------|
| 1 | BARTLESVILLE | 1200 | 6 | |
| 2 | | | 7 | |
| 3 | | | 8 | |
| 4 | | | 9 | |
| 5 | | | 10 | |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 1300

Ground Elevation: 0

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

Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

Type of Mud System: AIR

Is depth to top of ground water greater than 10ft below base of pit? Y

H. CBL REQUIRED

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: HOGSHOOTER

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

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 | 12/23/2013 - 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) |
| 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 | 1/2/2014 - G75 - FORMATION UNSPACED; 570-ACRE LEASE (2-26N-14E LESS 70-ACRE TRACT BEING N2 NW4 LESS NW4 NW4 NW4) |

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105 41133 THE SOONER 3

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