

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

API NUMBER: 019 26029

Approval Date: 01/08/2014
Expiration Date: 07/08/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 27 Twp: 2S Rge: 2W County: CARTER
SPOT LOCATION: SW NW NE NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1989 1633

Lease Name: TELFORD Well No: 2-27 Well will be 651 feet from nearest unit or lease boundary.
Operator Name: WILDHORSE OPERATING COMPANY Telephone: 5802230936 OTC/OCC Number: 20720 0

WILDHORSE OPERATING COMPANY
PO BOX 1604
ARDMORE, OK 73402-1604

NORMA LEA MCINNESS TRUST, 6/7/1991
405 W. MAIN
C/O FIRST NATIONAL BANK
ARDMORE OK 73401

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

	Name	Depth	Name	Depth
1	PERMIAN	600	6	
2	CISCO	950	7	
3	HOXBAR	1500	8	
4	DEESE	2500	9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2500 Ground Elevation: 923 Surface Casing: 0 Depth to base of Treatable Water-Bearing FM: 1060

Cement will be circulated by use of a two-stage cementing tool from 1160 to 0 .

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: 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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

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	12/13/2013 - G71 - APPROVED WITH THE FOLLOWING CONDITIONS: (1) MUD UP PRIOR TO TD TO PROTECT SHALLOW SANDS, (2) 2-STAGE CEMENTING TOOL TO BE SET AT 100' BELOW BTW, & (3) COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C)
SPACING	12/16/2013 - G30 - FORMATIONS UNSPACED, 120 ACRE LEASE (N2 NE4 & SE4 NE4)

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.