

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

API NUMBER: 019 26036

Approval Date: 01/24/2014

Expiration Date: 07/24/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 1S Rge: 3W

County: CARTER

SPOT LOCATION: NE NW SW SE

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1204 556

Lease Name: RCFU

Well No: 4-12

Well will be 1204 feet from nearest unit or lease boundary.

Operator Name: CHATHAM JIMMY R

Telephone: 5802291267

OTC/OCC Number: 14490 0

CHATHAM JIMMY R
PO BOX 878
HEALDTON, OK 73438-0878

RON JENKINS
PO BOX 265
FOX OK 73435

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

Name	Depth	Name	Depth
1 FUSULINID	2900	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 115418

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3200

Ground Elevation: 1008

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 1340

Cement will be circulated by use of a two-stage cementing tool from 1440 to 0 .

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: 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: GARBER

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	1/22/2014 - 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)
FRAC FOCUS	1/23/2014 - 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 - 115418	1/24/2014 - G30 - (UNIT) W2 SE4 & S2 NE4 SE4 & SE4 SE4 16-1S-3W EST RATLIFF CITY FUSULINID UNIT FOR FSLD

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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.