

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

API NUMBER: 085 21212

Approval Date: 02/06/2014
Expiration Date: 08/06/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 34 Twp: 7S Rge: 2W County: LOVE
SPOT LOCATION: C SE NE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1650 2310

Lease Name: WOODRUFF DEESE SAND UNIT Well No: 5-2 Well will be 1650 feet from nearest unit or lease boundary.
Operator Name: JONES L E OPERATING INC Telephone: 5802551191 OTC/OCC Number: 19169 0

JONES L E OPERATING INC
PO BOX 1185
DUNCAN, OK 73534-1185

RICHARD & BELINDA WILD
14286 AMETHYST ST.
LEON OK 73441

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

| Name | Depth | Name | Depth |
|---------|-------|------|-------|
| 1 DEESE | 6520 | 6 | |
| 2 | | 7 | |
| 3 | | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: 473695

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 7000

Ground Elevation: 901

Surface Casing: 960

Depth to base of Treatable Water-Bearing FM: 910

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: 1B

Liner required for Category: 1B

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

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.

085 21212 WOODRUFF DEESE SAND UNIT
5-2

| Category | Description |
|------------------|---|
| FRAC FOCUS | 2/5/2014 - 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 - 473695 | 2/6/2014 - G30 - (UNIT) SW4 34-7S-2W EST WOODRULL DEESE SAND UNIT FOR DEESS |

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