

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

API NUMBER: 065 20275

Approval Date: 03/27/2014

Expiration Date: 09/27/2014

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 2S Rge: 23W County: JACKSON

SPOT LOCATION: C NW NW FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1980 660

Lease Name: MNYK

Well No: 1-5

Well will be 660 feet from nearest unit or lease boundary.

Operator Name: GULF EXPLORATION LLC

Telephone: 4058403371

OTC/OCC Number: 20983 0

GULF EXPLORATION LLC
9701 N BROADWAY EXT
OKLAHOMA CITY, OK 73114-6316

M & N JONES - Y & K HOLMES
4108 NW 61ST TERRACE
OKC OK 73112-

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

	Name	Depth	Name	Depth
1	CISCO	4150	6	
2	CANYON	5000	7	
3	STRAWN	5900	8	
4			9	
5			10	

Spacing Orders: 617067

Location Exception Orders: 623138

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 6000

Ground Elevation: 1382

Surface Casing: 250

Depth to base of Treatable Water-Bearing FM: 120

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: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 14-26705

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION

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.

065 20275 MNYK 1-5

Category	Description
FRAC FOCUS	3/25/2014 - 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
LOCATION EXCEPTION - 623138	3/27/2014 - G30 - 5-2S-23W X617067 CSCO, CNYN, STRN 660 FNL, 660 FWL GULF EXPLORATION, L.L.C. 3/25/14
SPACING - 617067	3/27/2014 - G30 - (640) 5-2S-23W (HOR) EXT OTHERS (VER) EXT 605503 CSCO, CNYN, STRN, OTHER VAC 415584 CNYN, STRN, OTHERS (N2 NW4) VAC 185669 CNYN, STRN, OTHERS (SW4)