

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

API NUMBER: 085 21225

Approval Date: 04/14/2014
Expiration Date: 10/14/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 07 Twp: 7S Rge: 1W County: LOVE
SPOT LOCATION: FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 2310 1604

Lease Name: **ABSHIER** Well No: 1-7 Well will be 284 feet from nearest unit or lease boundary.
Operator Name: **MUSTANG FUEL CORPORATION** Telephone: 4057489400 OTC/OCC Number: 4999 0

MUSTANG FUEL CORPORATION
9800 N OKLAHOMA AVE
OKLAHOMA CITY, OK 73114-7406

JOHN W. GWYNNE III ET AL
4512 SANTA CRUZ AVE
SAN DIEGO CA 92107

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

Name	Depth	Name	Depth
1 STOCKTON	7355	6 SANDERS 5	7920
2 SANDERS 1	7450	7 SANDERS 7	8175
3 SANDERS 2	7511	8 DORNICK HILLS	8500
4 SANDERS 3	7569	9 VIOLA	9030
5 SANDERS 4	7639	10	

Spacing Orders: 158937

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 9650

Ground Elevation: 838

Surface Casing: 750

Depth to base of Treatable Water-Bearing FM: 530

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: 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.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26767

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 21225 ABSHIER 1-7

Category	Description
FRAC FOCUS	4/8/2014 - 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 - 158937	4/14/2014 - G30 - (80) 7-7S-1W SU NW/SE EST DKHL, VIOL, OTHERS EXT 134881 SCKN, SDRS1, SDRS2, SDRS3, SDRS4, SDRS4 EXT 141081 SDRS7

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