

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

API NUMBER: 083 24290

Approval Date: 04/25/2014

Expiration Date: 10/25/2014

Straight Hole Disposal

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 17N Rge: 2W

County: LOGAN

SPOT LOCATION: NE NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 320 250

Lease Name: CAREY

Well No: 1-30SWD

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: OSAGE EXPLORATION & DEVELOPMENT INC

Telephone: 4052700989

OTC/OCC Number: 23098 0

OSAGE EXPLORATION & DEVELOPMENT INC
100 PARK AVE STE 1040
OKLAHOMA CITY, OK 73102-8018

MICHAEL & MARY JANE CAREY
5175 WEST COUNTY ROAD, #75
GUTHRIE OK 73044

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

Name	Depth	Name	Depth
1 ARBUCKLE	6685	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 8500

Ground Elevation: 1049

Surface Casing: 450

Depth to base of Treatable Water-Bearing FM: 200

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-27024
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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
FRAC FOCUS	4/24/2014 - 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	4/24/2014 - G71 - NA - DISPOSAL WELL

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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.