

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

API NUMBER: 119 24223

Approval Date: 05/13/2014
Expiration Date: 11/13/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 03 Twp: 19N Rge: 1W County: PAYNE
SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 330 330

Lease Name: LINDSEY Well No: 1 Well will be 330 feet from nearest unit or lease boundary.
Operator Name: BLUE QUAIL LTD Telephone: 4053569350 OTC/OCC Number: 23202 0

BLUE QUAIL LTD
PO BOX 660
WELLSTON, OK 74881-0660

JOHN BODE
3312 NORTH PERRY ROAD
PERRY OK 73077

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

Name	Depth	Name	Depth
1 CAMPBELL	1550	6 MISSISSIPPI	4870
2 CLEVELAND	4200	7 WOODFORD	4990
3 OSWEGO	4400	8 MISENER	5100
4 SKINNER	4650	9	
5 RED FORK	4700	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 5200 Ground Elevation: 993 **Surface Casing: 225** Depth to base of Treatable Water-Bearing FM: 150

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: WELLINGTON

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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	5/9/2014 - 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	5/13/2014 - G72 - FORMATION UNSPACED 40 ACRE LEASE (SW NW)
SURFACE CASING	5/9/2014 - G71 - MIN. 225' PER ORDER 23028

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.