API NUMBER:	039 22303	A

Straight Hole   Oil & Gas

Approval Date:	06/05/2014
Expiration Date:	12/05/2014

PERMIT TO RECOMPLETE

WELL LOCATION: Sec: 32   Twp: 15N   Rge: 18W   County: CUSTER

SPOT LOCATION: [ ] [C] [NE] [NE]   FEET FROM QUARTER: FROM **NORTH**   FROM **EAST**

SECTION LINES: **660**   **660**

Lease Name: JOYCE   Well No: **1-32**   Well will be   **660**   feet from nearest unit or lease boundary.

Operator Name: **DUNCAN OIL PROPERTIES INC**   Telephone: 4052721800   OTC/OCC Number: 15876 0

DUNCAN OIL PROPERTIES INC
100 PARK AVE STE 1200
OKLAHOMA CITY,   OK   73102-8023

JAMES E. & JOYCE COVEY
RT. 1, BOX 32
BUTLER   OK   73625

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

	Name	Depth		Name	Depth
1	CLEVELAND	9686	6		
2			7		
3			8		
4			9		
5			10		

Spacing Orders: 109179   Location Exception Orders: 554906   Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 12060   Ground Elevation: 1810   **Surface Casing: 1482**   **IP**   Depth to base of Treatable Water-Bearing FM: 430

Under Federal Jurisdiction: No   Fresh Water Supply Well Drilled: No   Surface Water used to Drill: No

Approved Method for disposal of Drilling Fluids:

Notes:

Category	Description
FRAC FOCUS	6/5/2014 - 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
LOCATION EXCEPTION - 554906	6/5/2014 - G75 - (F.O.) 32-15N-18W X109179 CLVD, OTHERS XOTHERS 660 FNL, 660 FEL DUNCAN OIL PROP. ** 6-4-08 (WELL SPUD 4-1-2008) ** S/B DUNCAN OIL PROP., INC.

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.

039 22303 JOYCE 1-32

Category	Description
SPACING - 109179	6/5/2014 - G75 - (640) 32-15N-18W EXT 105053 CLVD, OTHERS EST OTHER

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.