

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

API NUMBER: 071 24768

Approval Date: 06/19/2014

Expiration Date: 12/19/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 25N Rge: 1E County: KAY
SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 990 330

Lease Name: **BLUBAUGH** Well No: **21-5** Well will be **330** feet from nearest unit or lease boundary.
Operator Name: **INTERNATIONAL ENERGY CORPORATION** Telephone: 9187437300 OTC/OCC Number: 22390 0

INTERNATIONAL ENERGY CORPORATION
1801 E 71ST ST
TULSA, OK 74136-3922

ROGER & TERRY BLUBAUGH
101 ROADRUNNER DR.
PONCA CITY OK 74061

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

	Name	Depth	Name	Depth	
1	LAYTON	3190	6	WOODFORD	4605
2	CLEVELAND	3565	7	WILCOX	4740
3	SKINNER	3985	8		
4	RED FORK	4080	9		
5	MISSISSIPPI	4260	10		

Spacing Orders: No Spacing

Location Exception Orders: _____

Increased Density Orders: _____

Pending CD Numbers:

Special Orders: _____

Total Depth: 4800 Ground Elevation: 961 **Surface Casing: 250** 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

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

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-27353
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, 20-MIL LINED TRENCH
PIT FOR SOIL FARMING

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	6/18/2014 - 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	6/19/2014 - G75 - FORMATIONS UNSPACED; 160-ACRE LEASE (NW4)

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071 24768 BLUBAUGH 21-5