

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

API NUMBER: 117 23608

Approval Date: 06/24/2014

Expiration Date: 12/24/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 20N Rge: 8E

County: PAWNEE

SPOT LOCATION:  C  NW  NW

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 660 660

Lease Name: BAILEY

Well No: 1-26

Well will be 660 feet from nearest unit or lease boundary.

Operator Name: HALL GREG OIL & GAS LLC

Telephone: 4053306238

OTC/OCC Number: 21902 0

HALL GREG OIL & GAS LLC  
PO BOX 30444  
EDMOND, OK 73003-0008

RANDY BAILEY  
369999 OLD TERLTON ROAD  
TERLTON OK 74081

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

	Name	Depth	Name	Depth
1	CLEVELAND	1630	6	
2	SKINNER	2270	7	
3	RED FORK	2370	8	
4	BARTLESVILLE	2470	9	
5			10	

Spacing Orders: 621427

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3400

Ground Elevation: 835

**Surface Casing: 340**

Depth to base of Treatable Water-Bearing FM: 290

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: AIR

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: 4

Liner not required for Category: 4

Pit Location is BED AQUIFER

Pit Location Formation: VAMOOSA

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

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.

117 23608 BAILEY 1-26

Category	Description
FRAC FOCUS	6/23/2014 - 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 <a href="http://fracfocus.org/">HTTP://FRACFOCUS.ORG/</a> OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
SPACING - 621427	6/24/2014 - G75 - (640/40) 26-20N-8E EST (40) CLVD, SKNR, RDFK, BRVL, OTHER EST (640) OTHERS

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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.