

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

API NUMBER: 119 24272

Approval Date: 09/17/2014
Expiration Date: 03/17/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 18N Rge: 4E County: PAYNE
SPOT LOCATION: C SW SE NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 330 1650

Lease Name: PASSICK Well No: 2 Well will be 330 feet from nearest unit or lease boundary.
Operator Name: CHER OIL COMPANY LTD Telephone: 4054541575 OTC/OCC Number: 7657 0

CHER OIL COMPANY LTD
18000 NE 23RD ST
HARRAH, OK 73045-8100

ROGER D & CAROL J PASSICK
ROUTE 1 BOX 2020
RIPLEY OK 74062

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

	Name	Depth	Name	Depth	
1	LAYTON	2569	6	BARTLESVILLE	3790
2	CLEVELAND	3140	7	MISSISSIPPI	3890
3	PERU	3275	8	MISENER	4060
4	SKINNER	3577	9	VIOLA	4128
5	RED FORK	3650	10		

Spacing Orders: 517759 Location Exception Orders: 629928 Increased Density Orders: 629927

Pending CD Numbers:

Special Orders:

Total Depth: 4200 Ground Elevation: 939 **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: 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: OSCAR

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.

119 24272 PASSICK 2

Category	Description
FRAC FOCUS	9/17/2014 - G76 - 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
INCREASED DENSITY - 629927	9/17/2014 - G91 - E2 NW4 9-18-4E X 517759 BRVL CHER OIL COMPANY, LTD. 9-2-2014
LOCATION EXCEPTION - 629928	9/17/2014 - G91 - E2 NW4 9-18N-4E X 517759 LYTN, CLVD, PERU, SKNR, RDFK, BRVL, MISS, MSNR, VIOL, OTHERS 330 FSL, 330 FWL CHER OIL COMPANY, LTD. 9-2-2014
SPACING - 517759	9/17/2014 - G91 - (80) NW4 9-18N-4E SU NE/SW EXT 505475 LYTN, CLVD, PERU, SKNR, RDFK, BRVL, MISS, MSNR, VIOL, OTHERS

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