

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

API NUMBER: 119 24273

Approval Date: 09/17/2014

Expiration Date: 03/17/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 12 Twp: 18N Rge: 5E

County: PAYNE

SPOT LOCATION: C N2 NE

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 660 1320

Lease Name: STOLLINGS

Well No: 12-1

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

Operator Name: PREGLER OIL COMPANY LLC

Telephone: 9185832144

OTC/OCC Number: 23130 0

PREGLER OIL COMPANY LLC
PO BOX 1722
TULSA, OK 74101-1722

MARY A STOLLINGS
P O BOX 176
YALE OK 74085

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

	Name	Depth	Name	Depth
1	PRUE	2865	6	
2	SKINNER	3050	7	
3	RED FORK	3125	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3200

Ground Elevation: 808

Surface Casing: 780

Depth to base of Treatable Water-Bearing FM: 690

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3500

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

F. Haul to Commercial soil farming facility: Sec. 13 Twn. 19N Rng. 5E Cnty. 119 Order No: 561542

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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	8/20/2014 - 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	9/15/2014 - G72 - FORMATIONS UNSPACED 160 ACRE LEASE NE/4.

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.

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

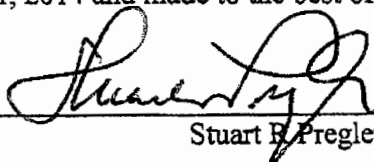
APPLICANT: PREGLER OIL COMPANY, LLC)
RELIEF SOUGHT: PERMIT TO DRILL)OTC/OCC OPERATOR NO. 23130
)CAUSE CD# _____
LEGAL DESCRIPTION: N/2 NE/4 SECTION 12,)
TOWNSHIP 18 NORTH, RANGE 5 EAST, PAYNE)
COUNTY OKLAHOMA)

AFFIDAVIT OF WELL REPLACEMENT

I, Stuart R. Pregler, of lawful age, being first duly sworn on oath, depose and state as follows:

1. I am the President of Pregler Oil Company, LLC, with a current Oklahoma Corporation Commission Operator’s license of 23130.
2. Pregler Oil company, LLC is the current operator of the Maggard Arco Sinclair #1 well (API No. 35-119-01958), located in the NW/4 NE/4 NE/4, Section 12, Township 18 North, Range, 5 East, Payne County, Oklahoma, which produces from the Prue formation at a depth of 2,859 to 2,868 feet from the surface.
3. Pregler Oil company, as the designated operator, has filed an Application to drill and complete the Stollings #12-1 well, to be located in the N/2 NE/4, Section 12, Township 18 North, Range 5 East, Payne County, Oklahoma in order to test the Prue, Skinner and Red Fork formations from depths of 2,865’ in the Prue formation to 3,125’ in the Red Fork formation.
4. In the event the Stollings #12-1 well is productive of oil and/or gas, it is the intent to either plug or convert the original Maggard Arco Sinclair #1 to a salt water disposal well or an injection well.
5. A drilling rig is scheduled to move onto the location of the Stollings #12-1 on September 18th or 19th of 2014.

This Affidavit is executed on this 16th day of September, 2014 and made to the best of my knowledge and belief and under penalty of perjury.

By 
Stuart R. Pregler, President

)OTC/OCC OPERATOR NO. 23130

)CAUSE CD# _____

STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

Subscribed to and sworn to before me this 16 day of September, 2014.

Sheri D. Butcher
Notary Public

My Commission Expires: January 21, 2017

My Commission Number: #09000717

(Seal)

