

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

API NUMBER: 103 24689

Approval Date: 10/03/2014
Expiration Date: 04/03/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 20N Rge: 1W County: NOBLE
SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 165 330

Lease Name: MADISON Well No: 3-5 Well will be 165 feet from nearest unit or lease boundary.
Operator Name: DAKOTA EXPLORATION LLC Telephone: 9188068687 OTC/OCC Number: 22446 0

DAKOTA EXPLORATION LLC
8801 S YALE AVE STE 120
TULSA, OK 74137-3375

TERRY LEONARD
8900 GUNSMOKE
PERRY OK 73077

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

	Name	Depth	Name	Depth
1	TONKAWA	3100	6	
2	SKINNER	4620	7	
3	VIOLA	5200	8	
4	WILCOX	5300	9	
5			10	

Spacing Orders: 628624 Location Exception Orders: Increased Density Orders:
Pending CD Numbers: 201406888 Special Orders:

Total Depth: 5400 Ground Elevation: 1073 **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? Y
Wellhead Protection Area? Y
Pit is located in a Hydrologically Sensitive Area.

Approved Method for disposal of Drilling Fluids:

- A. Evaporation/dewater and backfilling of reserve pit.
- H. 20-MIL PIT LINER REQUIRED

Category of Pit: 1A
Liner required for Category: 1A
Pit Location is BED AQUIFER
Pit Location Formation: WELLINGTON

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	9/23/2014 - 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 HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
PENDING CD - 201406888	10/2/2014 - G72 - SE NE 05-20N-01W (E.O.) X 628624 TNKW, SKNR, VIOL, WLCX, NCT 165 FSL NCT 330 FEL NO OPER NAMED; REC 9/22/2014 (DECKER)
PUBLIC WATER SUPPLY/WELLHEAD PROTECTION AREA	9/23/2014 - G71 - ROGER HAFNER - 1 PWS/WPA, NW/4 5-20N-1W
SPACING - 628624	10/2/2014 - G72 - (40) SE NE 5-20N-1W EXT 582002 TNKW, VIOL, WLCX EST SKNR, OTHERS

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.