API NUMBER: 103 24654

Oil & Gas

Straight Hole

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

| Approval Date: | 05/01/2014 |
|------------------|------------|
| Expiration Date: | 05/01/2015 |

PERMIT TO DRILL

| WELL LOCATION: Sec: 16 Twp: 20N | Rge: 1W County: NOB | LE | |
|--|---|---|---|
| SPOT LOCATION: C NE | NW FEET FROM QUARTER: FROM | SOUTH FROM WEST | |
| | SECTION LINES: | 1980 1980 | |
| Lease Name: KENNEDY | Well No: | 1-16 | Well will be 660 feet from nearest unit or lease boundary. |
| Operator DAKOTA EXPLORATION Name: | N LLC | Telephone: 9188068687 | OTC/OCC Number: 22446 0 |
| DAKOTA EXPLORATION LLC | | HADTOHOL | ZEAMINALO |
| 8801 S YALE AVE STE 120 | | | K FAMILY LLC |
| TULSA, | OK 74137-3375 | | RAND BLVD. |
| | | OKLAHOM | A CITY OK 73116 |
| Name 1 HOTSON 2 ENDICOTT 3 TONKAWA 4 AVANT 5 PERRY Spacing Orders: No Spacing Pending CD Numbers: | pepth 1190 2900 3100 3380 3450 Location Exception evation: 1134 Surface | Name 6 PINK LIME 7 VIOLA 8 SIMPSON 9 10 Orders: | Depth 4820 5270 5330 Increased Density Orders: Special Orders: Depth to base of Treatable Water-Bearing FM: 150 |
| Under Federal Jurisdiction: No | Fresh Wate | r Supply Well Drilled: No | Surface Water used to Drill: Yes |
| PIT 1 INFORMATION | | Approved Method for dis | sposal of Drilling Fluids: |
| Type of Pit System: ON SITE | | A. Evaporation/dewate | r and backfilling of reserve pit. |
| Type of Mud System: WATER BASED | | | |
| Chlorides Max: 5000 Average: 3000 | | | |
| Is depth to top of ground water greater than 10 | Oft below base of pit? Y | | |
| Within 1 mile of municipal water well? N | | | |
| Wellhead Protection Area? N | tive Area | | |
| Pit is located in a Hydrologically Sensit | ive Area. | | |
| Category of Pit: 2 | | | |
| Liner not required for Category: 2 | | | |
| Pit Location is BED AQUIFER Pit Location Formation: WELLINGTON | | | |
| Pit Location Formation: WELLINGTON | | | |

Notes:

Category Description

4/30/2014 - G71 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FRAC FOCUS

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 5/1/2014 - G72 - FORMATIONS UNSPACED EXCEPT THE SKNR; LEASE OUTLINE NW4 9;

DAKOTA

exploration

OPI |03-244054Exp: |11|Exp: |22446Swody Exp: |2/6|Sions

October 21, 2014

Virginia Hullinger Oklahoma Corporation Commission P.O. Box 52000 Oklahoma City, OK 73152

Re:

Drill Permit Extensions

Dear Virginia,

Dakota Exploration requests a 6 month extension on the following Drill Permits that were issued on May 1, 2014 and are due to expire on November 1, 2014. None of these permits have previously been extended.

Malzahn #2-9 API #103-24656 Sec 9-20N-1W Noble County, OK

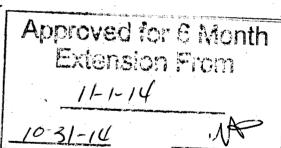
Kennedy #1-16 API #103-24654 Sec 16-20N-1W Noble County, OK

Malzahn #3-9 API #103-24657 Sec 9-20N-1W Noble County, OK

Christopher #1-8 API #103-24658 Sec 8-20N-1W Noble County, OK

Malzahn #4-9 API #103-24655 Sec 9-20N-1W Noble County, OK

eignolds



Should you need any further information please call me at the number listed below or email me at greynolds@dakotaexploration.com

Thank you,

Gail Reynolds

Dakota Exploration

RECEIVED

OCT 2 3 2014

OKLAHOMA CORPORATION COMMISSION