

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

API NUMBER: 107 23540

Approval Date: 12/02/2014  
Expiration Date: 06/02/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 10N Rge: 9E County: OKFUSKEE  
SPOT LOCATION:  NE  SE  NE  NW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 1870 2380

Lease Name: RICE Well No: 2-3B Well will be 550 feet from nearest unit or lease boundary.  
Operator Name: J & J PRODUCTION COMPANY Telephone: 9186236363 OTC/OCC Number: 4183 0

J & J PRODUCTION COMPANY  
PO BOX 561  
OKEMAH, OK 74859-0561

DEAN LAND & CATTLE CO, LLC  
BOX 228  
OKEMAH OK 74859

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

Name	Depth	Name	Depth
1 SENORA	1545	6	
2 DUTCHER	3035	7	
3 CROMWELL	3260	8	
4 MISSISSIPPIAN	3325	9	
5 HUNTON	3916	10	

Spacing Orders: 39442

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 20140887

Special Orders:

Total Depth: 3916

Ground Elevation: 836

**Surface Casing: 180**

Depth to base of Treatable Water-Bearing FM: 130

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

**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: 1B**

**Liner required for Category: 1B**

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

**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.

107 23540 RICE 2-3B

Category	Description
FRAC FOCUS	11/19/2014 - 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
PENDING CD - 201408875	12/2/2014 - G72 - EXCEPT TO RULE 165:10-1-21 NE NW 2-10N-9E (E.O.) WILL BE < 600' FROM THE RICE 2-3A (107-23531) TO BE COMPLETED IN THE DTCR, CRML, HNTN HRG 12/9/2014
SPACING	12/1/2014 - G91 - ALL FORMATIONS UNSPACED EXCEPT SENORA; 280-ACRE (NE4 NW4, NE4, N2 SE4)
SPACING - 39442	12/1/2014 - G91 - (UNIT) NW4 NE4 & NE4 NW4 2-10N-9E EST OKEMAH FIELD SENORA SAND UNIT FOR SENORA

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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.