

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

API NUMBER: 153 23566

Approval Date: 12/03/2014
Expiration Date: 06/03/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 20N Rge: 20W County: WOODWARD
SPOT LOCATION: C SE NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 660 1980

Lease Name: FREEDOM Well No: A4 Well will be 660 feet from nearest unit or lease boundary.
Operator Name: DANICK OPERATING USA INC Telephone: 2148272222 OTC/OCC Number: 23273 0

DANICK OPERATING USA INC
5005 LYNDON B JOHNSON FWY STE 1350
DALLAS, TX 75244-6150

PERSIMMON CREEK LLC
6300 NW EXPRESSWAY
OKLAHOMA CITY OK 73132

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

Name	Depth	Name	Depth
1 MORROW	8900	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 73250

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201408762

Special Orders:

Total Depth: 9500

Ground Elevation: 2110

Surface Casing: 800

Depth to base of Treatable Water-Bearing FM: 450

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: 8000 Average: 5000

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 BED AQUIFER

Pit Location Formation: OGALLALA

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.

153 23566 FREEDOM A4

Category	Description
DEEP SURFACE CASING	12/2/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
FRAC FOCUS	10/15/2014 - 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 - 201408762	12/2/2014 - G75 - (E.O.) 5-20N-20W X73250 MRRW NCT 1980 FNL, NCT 660 FEL DANICK OP. USA, INC. REC 11-25-2014 (DECKER)
SPACING - 73250	12/2/2014 - G75 - (640) 5-20N-20W EST MRRW

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