

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

API NUMBER: 103 24692

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

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 20N Rge: 2W County: NOBLE
SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 330 2310

Lease Name: CLEM Well No: 1 Well will be 330 feet from nearest unit or lease boundary.
Operator Name: THREE SANDS OIL INC Telephone: 5803362410 OTC/OCC Number: 6889 0

THREE SANDS OIL INC
PO BOX 853
PERRY, OK 73077-0853

CLEM & OPAL YOCKEY
114 FIR
PERRY OK 73077

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

Name	Depth	Name	Depth
1 PERRY	3670	6 MISSISSIPPI	4950
2 CLEVELAND	4450	7 MISENER	5200
3 BIG LIME	4580	8 VIOLA	5225
4 OSWEGO	4635	9 WILCOX	5260
5 SKINNER	4890	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 5300 Ground Elevation: 0 **Surface Casing: 210** Depth to base of Treatable Water-Bearing FM: 160

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: 4000 Average: 2000

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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	10/30/2014 - 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	12/3/2014 - G76 - FORMATIONS UNSPACED; 80-ACRE LEASE (S2 NW4)

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