

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

API NUMBER: 019 26161

Approval Date: 01/06/2015  
Expiration Date: 07/06/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 2S Rge: 2W County: CARTER  
SPOT LOCATION:  SE  SE  SW  NW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 165 1155

Lease Name: DAUBE RANCH Well No: 13-23 Well will be 165 feet from nearest unit or lease boundary.  
Operator Name: BURTON PAUL LLC Telephone: 5805040074 OTC/OCC Number: 11307 0

BURTON PAUL LLC  
2217 CARDINAL RD  
ARDMORE, OK 73401-7357

DAUBE RANCH & MINERAL, LP  
P.O. BOX 38  
ARDMORE OK 73402

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

Name	Depth	Name	Depth
1 DEESE	730	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 588067

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201409429

Special Orders:

Total Depth: 850

Ground Elevation: 963

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 350

**Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.**

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: 1500

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.

H. CBL REQUIRED

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
ALTERNATE CASING	12/8/2014 - G71 - APPROVED WITH THE FOLLOWING CONDITIONS: 1) DRILLING FLUID WILL BE MUD PRIOR TO TOTAL DEPTH; AND, 2) COPY OF CBL NEEDS TO BE SUBMITTED TO OCC TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED PER OCC 165:10-3-4(D)(4)(C)
FRAC FOCUS	12/8/2014 - 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 - 201409429	1/6/2015 - G75 - SE4 SW4 NW4 23-2S-2W X588067 DEESS 3 WELLS NO OP. NAMED HEARING 1-27-2015
SPACING - 588067	12/15/2014 - G75 - (10) S2 SW4 NW4 23-2S-2W EST DEESS, OTHER
TOTAL DEPTH	1/6/2015 - G75 - 850' PER OPERATOR

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.