

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

API NUMBER: 065 20295

Approval Date: 02/17/2015

Expiration Date: 08/17/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 1N Rge: 19W County: JACKSON  
SPOT LOCATION:  NE  NE  SE  SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 1218 2517

Lease Name: CANAM Well No: 15 Well will be 537 feet from nearest unit or lease boundary.  
Operator Name: FULCRUM EXPLORATION LLC Telephone: 2145137610 OTC/OCC Number: 22183 0

FULCRUM EXPLORATION LLC  
3700 FORUMS DR STE 112  
FLOWER MOUND, TX 75028-1849

JTL FARMS & RANCH INC  
609 E MAIN  
TIPTON OK 73570

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

	Name	Depth	Name	Depth
1	STRAWN	2300	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 60665

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2500 Ground Elevation: 1288 **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 not located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2

Pit Location is NON HSA

Pit Location Formation: HENNESSEY

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.

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Category	Description
FRAC FOCUS	2/17/2015 - G76 - 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
SPACING - 60665	2/17/2015 - G91 - (UNIT) S2 SE4 & S2 N2 SE4 & SE4 NE4 SW4 & E2 SE4 SW4 30-1N-19W EST NORTH TIPTON UNIT FOR STRN

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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.