

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

API NUMBER: 019 26168

Approval Date: 02/17/2015  
Expiration Date: 08/17/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 2S Rge: 2W County: CARTER  
SPOT LOCATION:  NE  SW  NW  SE FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 1920 390

Lease Name: BRADY Well No: 151 Well will be 390 feet from nearest unit or lease boundary.

Operator Name: KODIAK OIL & GAS INC Telephone: 9407594001 OTC/OCC Number: 23226 0

KODIAK OIL & GAS INC  
204 N WALNUT ST  
MUNSTER, TX 76252-2766

MEL WALTERSCHEID  
204 N WALNUT ST  
MUNSTER TX 76252

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

Name	Depth	Name	Depth
1 HOXBAR	1500	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing Location Exception Orders: Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 2999 Ground Elevation: 1100 Surface Casing: 0 Depth to base of Treatable Water-Bearing FM: 1090

**Cement will be circulated by use of a two-stage cementing tool from 1200 to 0 .**

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: 1000 Average: 500

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: GARBER

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	2/17/2015 - G76 - APPROVED WITH THE FOLLOWING CONDITIONS: (1) MUD UP PRIOR TO TD TO PROTECT SHALLOW SANDS, (2) 2-STAGE CEMENTING TOOL TO BE SET AT 100' BELOW BTW, & (3) COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C)
FRAC FOCUS	2/13/2015 - G64 - CHEMICAL DISCLOSURE REQUIREMENT 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	2/17/2015 - G76 - FORMATION UNSPACED; 100-ACRE LEASE (INCLUDING NW4 SE4 & S2 SW4 NE4)