

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

API NUMBER: 019 26170

Approval Date: 02/23/2015  
Expiration Date: 08/23/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 2S Rge: 2W

County: CARTER

SPOT LOCATION:  NW  SE  SW  NW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 495 825

Lease Name: DAUBE RANCH

Well No: 14-23

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: 636789

Pending CD Numbers:

Special Orders:

Total Depth: 850

Ground Elevation: 968

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 410

**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	2/19/2015 - G71 - APPROVED CONTINGENT ON (1) MUDDING UP PRIOR TO TD TO PROTECT SHALLOW SANDS & (2) 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	2/19/2015 - 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
INCREASED DENSITY - 636789	2/23/2015 - G76 - SE4 SW4 NW4 23-2S-2W X588067 DEESS 3 WELLS 2/20/2015
SPACING - 588067	2/23/2015 - G76 - (10) S2 SW4 NW4 23-2S-2W EST DEESS, OTHER
TOTAL DEPTH	2/23/2015 - G76 - 850' PER OPERATOR

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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.

019 26170 DAUBE RANCH 14-23