

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

API NUMBER: 103 24629 A

Approval Date: 03/10/2015
Expiration Date: 09/10/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 15 Twp: 21N Rge: 2W County: NOBLE
SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1650 825

Lease Name: LARRY Well No: 1-15 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

LYNN DERRICK SAMS
6629 EAST 116TH STREET SOUTH
BIXBY OK 74008

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

Name	Depth	Name	Depth
1 HOXSEY	1580	6 SKINNER	4770
2 SAMS	1850	7 MISSISSIPPI SOLID	4850
3 LAYTON UP	3830	8 MISENER	5060
4 BIG LIME	4450	9 VIOLA DOLO	5080
5 OSWEGO	4500	10 1ST WILCOX	5180

Spacing Orders: 188778 Location Exception Orders: Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 5250 Ground Elevation: 1068 **Surface Casing: 130** Depth to base of Treatable Water-Bearing FM: 80

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: 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 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	3/9/2015 - 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 HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
SPACING	3/10/2015 - G75 - HOXSEY, SAMS, BIG LIME UNSPACED; 160-ACRE LEASE (SW4)
SPACING - 188778	3/10/2015 - G75 - (40) S2 15-21N-2W VAC 66635 MSNR, WLCX EXT OTHERS EXT 118801/130597 LYTNU, OTHER EXT 118801/130782 OSWG, SKNR, MSSSD, MSNR, VIODO, WLCX1, OTHERS

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