

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

API NUMBER: 087 22051

Approval Date: 06/21/2016
Expiration Date: 12/21/2016

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 10 Twp: 9N Rge: 4W County: MCCLAIN
SPOT LOCATION: N2 S2 SE NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 510 1980

Lease Name: J GRIFFITH Well No: 2-10 Well will be 510 feet from nearest unit or lease boundary.

Operator Name: SPESS OIL COMPANY INC Telephone: 9183585831; 9183585 OTC/OCC Number: 2057 0

SPESS OIL COMPANY INC
200 S BROADWAY ST
CLEVELAND, OK 74020-4617

GRIFFITH FAMILY TRUST C/O PATSY MCMAHAN
1333 SE 32ND
NEWCASTLE OK 73065

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

	Name	Depth	Name	Depth
1	DEESE	8200	6	
2	MISSISSIPPI	8520	7	
3	BOIS D ARC	8707	8	
4	CHIMNEY HILL	9080	9	
5	VIOLA	9221	10	

Spacing Orders: 72493
136077

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 9700 Ground Elevation: 1220 **Surface Casing: 1180** Depth to base of Treatable Water-Bearing FM: 1130

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: 1B

Liner required for Category: 1B

Pit Location is AP/TE DEPOSIT
Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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
HYDRAULIC FRACTURING	6/20/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE.
SPACING	6/21/2016 - G75 - MISSISSIPPI, BOIS D'ARC UNSPACED; 160-ACRE LEASE (NW4)
SPACING - 136077	6/20/2016 - G75 - (80) N2 10-9N-4W LD NW/SE EXT OTHERS EXT 123348 VIOL, DEESS, OTHERS AMD 72493 CMNL TO NW/SE PATTERN
SPACING - 72493	6/20/2016 - G75 - (80) 10-9N-4W LD SLOT (AMD TO NW/SE BY 136077) VAC CMNL FROM 27949 EST CMNL

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