

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

API NUMBER: 045 23616

Approval Date: 06/24/2016

Expiration Date: 12/24/2016

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 24 Twp: 19N Rge: 22W County: ELLIS
SPOT LOCATION: C NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 1320 1320

Lease Name: NEW GELBVIEH Well No: 1-24 Well will be 1320 feet from nearest unit or lease boundary.

Operator Name: CHARTER OAK PRODUCTION CO LLC Telephone: 4052860361 OTC/OCC Number: 21672 0

CHARTER OAK PRODUCTION CO LLC
13929 QUAIL POINTE DR
OKLAHOMA CITY, OK 73134-1037

BILL D. NEW
27512 US HIGHWAY 60
ARNETT OK 73832

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

Name	Depth	Name	Depth
1 CLEVELAND	8711	6 MORROW	10257
2 BIG LIME	8832	7 CHESTER	11265
3 OSWEGO	8885	8 MISSISSIPPI SOLID	11315
4 CHEROKEE	9154	9 WOODFORD	13706
5 ATOKA	9784	10 HUNTON	13731

Spacing Orders: 143980
144906
168917
643991

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14900

Ground Elevation: 2372

Surface Casing: 530

Depth to base of Treatable Water-Bearing FM: 440

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: 8000 Average: 5000

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 BED AQUIFER

Pit Location Formation: OGALLALA

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	6/24/2016 - 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 - 143980	6/24/2016 - G60 - (640) 24-19N-22W EXT 96195/135588 OSWG, CHRK, MRRW, HNTN, OTHERS EXT 135739/139107 CSTR EST MSSSD
SPACING - 144906	6/24/2016 - G60 - (640) 24-19N-22W EXT 103068/141054 ATOK
SPACING - 168917	6/24/2016 - G60 - (640) 24-19N-22W EXT OTHERS EXT 83734 CLVD EXT 87013 BGLM
SPACING - 643991	6/24/2016 - G60 - (640) 24-19N-22W EXT WDFD

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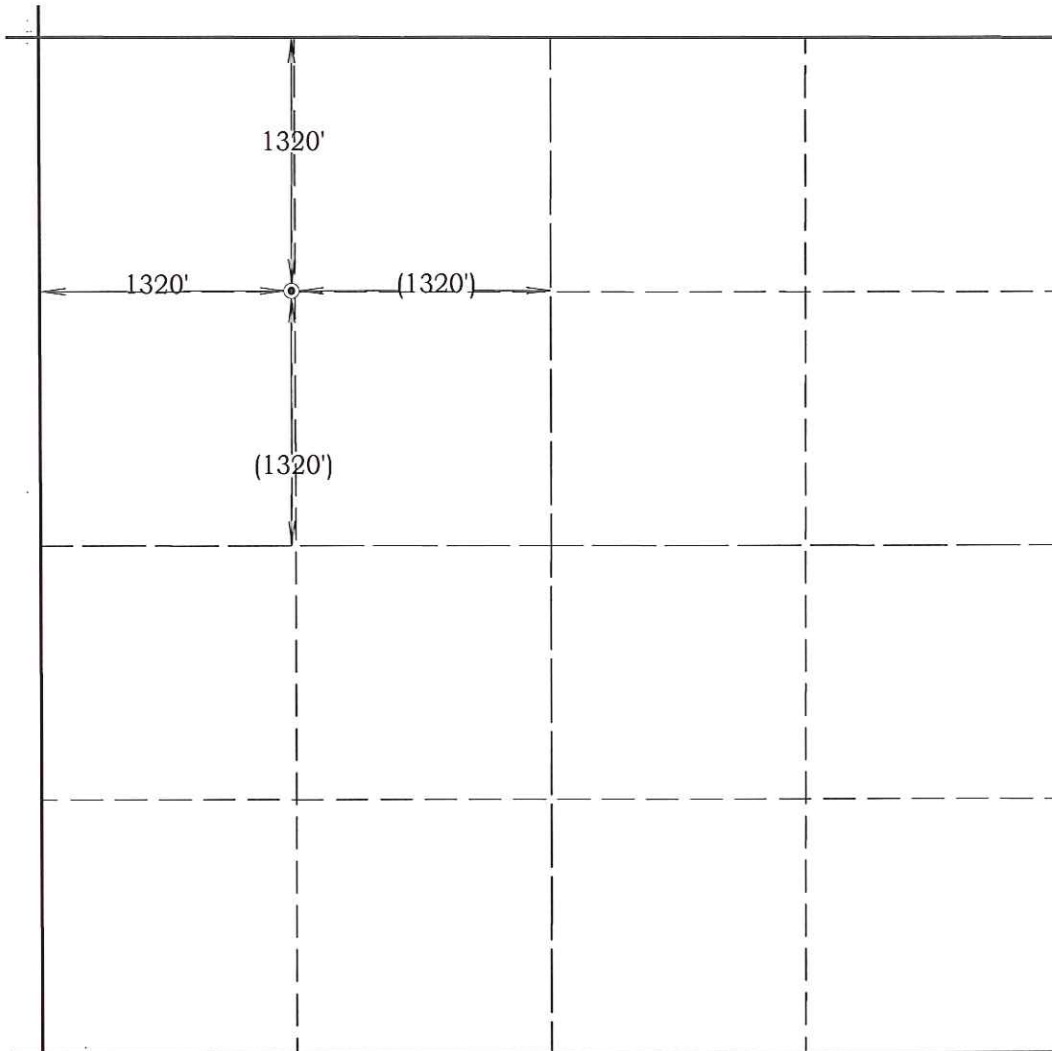
API: 045-23616

Well Location Plat
M & M Land Surveying, Inc.
520 "E" Street NW. Ardmore, OK. 73401
Office 580-226-0446 Mobile 580-221-4999

Company Name: Charter Oak Production Company Lease Name: New Gelbvieh #1-24
Section 24 Township 19 North Range 22 West County Ellis Oklahoma

Primary Location 1320' FNL - 1320' FWL Elevation 2372' Good Location? Yes
Alternate # 1 _____
Alternate # 2 _____

Topography
Location fell in pasture. _____



Scale: 1" = 1000'
Invoice # 16232
Date 6/20/16

Location NAD 83
Surface Location
Latitude: 36.11211°
Longitude: 99.50248°

Best Accessibility to Location
From the North.

Distance & Direction From From the Ellis and Dewey County line on US. 60, go 7 miles West on US. #60,
then 1 mile South on County Road and 1 mile South on Farm Road to the
Highway or Town Northwest Corner of Section 24.

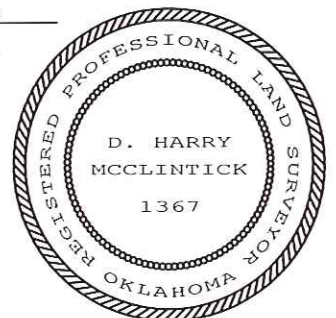
CERTIFICATE:

I, D. Harry McClintick, a Registered Land Surveyor in the state of Oklahoma, do hereby certify that the above described Well Location was surveyed and staked on the ground as shown.

D. Harry McClintick
D. Harry McClintick, R.P.L.S. # 1367, CA # 3093

This location has been staked according to the best official survey records available to us, but its accuracy is not guaranteed. Please review this plat and notify us immediately of any discrepancy.

The distances shown in parenthesis () are calculated distances based on the quarter section being 2640' and have not been measured.

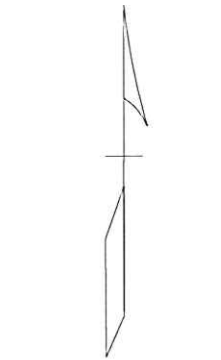
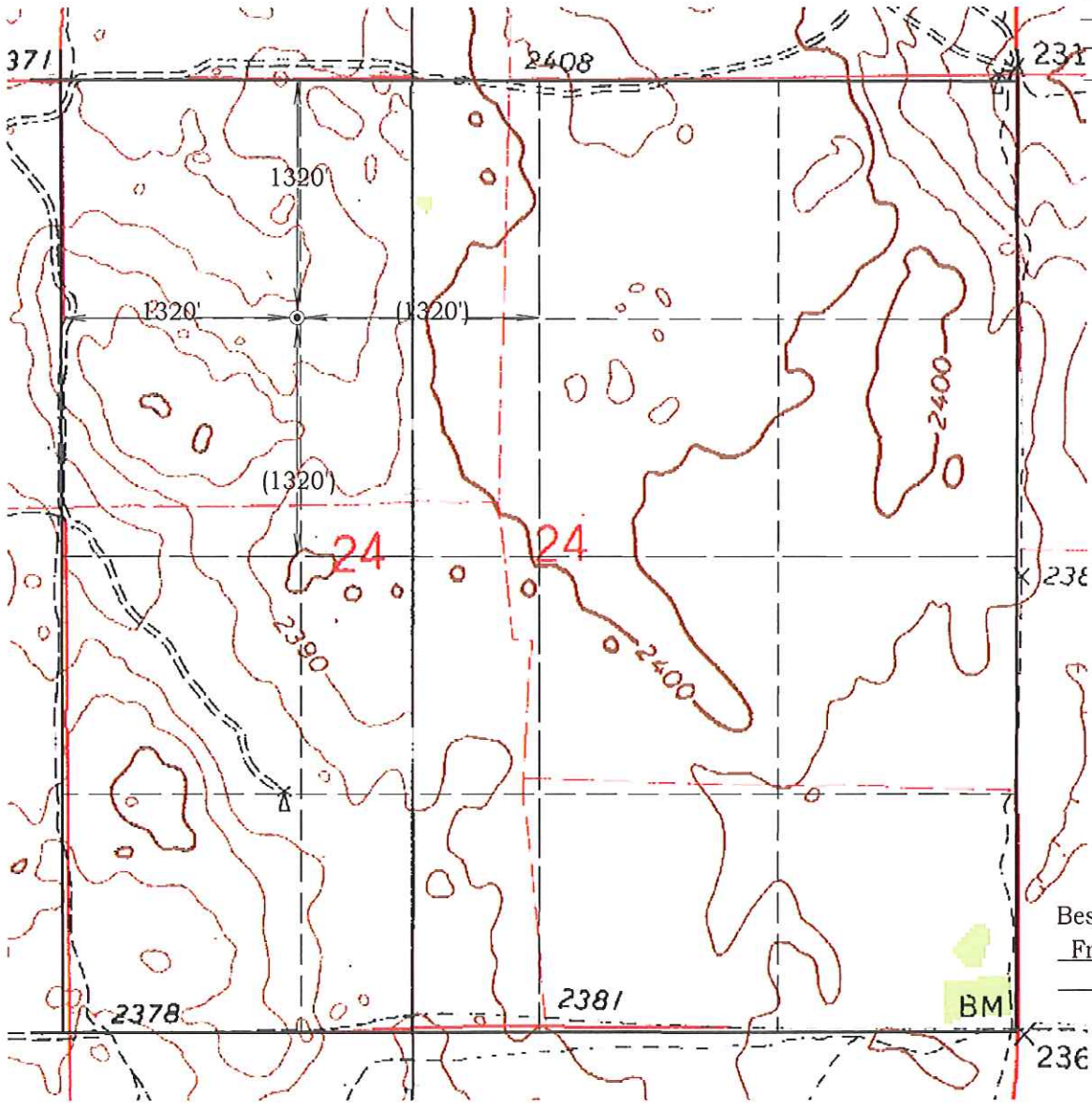


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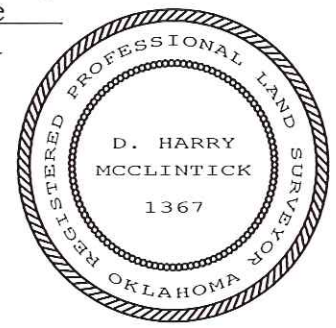
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Section 24 Township 19 North Range 22 West County Ellis Oklahoma

Primary Location	Elevation	Good Location?
<u>1320' FNL - 1320' FWL</u>	<u>2372'</u>	<u>Yes</u>
Alternate # 1 _____	_____	_____
Alternate # 2 _____	_____	_____



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