

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

API NUMBER: 101 22934

Approval Date: 07/12/2016
Expiration Date: 01/12/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 35 Twp: 15N Rge: 15E County: MUSKOGEE
SPOT LOCATION: SE SE SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 320 1260

Lease Name: ALBERT Well No: 35-13C Well will be 320 feet from nearest unit or lease boundary.
Operator Name: J & J PRODUCTION COMPANY Telephone: 9186236363 OTC/OCC Number: 4183 0

J & J PRODUCTION COMPANY
PO BOX 561
OKEMAH, OK 74859-0561

FERNANDO AND ROSALVA BUSTOS
13239 EAST 29 PLACE
TULSA OK 74137

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

Name	Depth	Name	Depth
1 BARTLESVILLE	725	6 WILCOX	2345
2 BOOCH	1205	7	
3 GILCREASE	1490	8	
4 MISSISSIPPIAN	2005	9	
5 VIOLA	2320	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2500 Ground Elevation: 250 **Surface Casing: 240** Depth to base of Treatable Water-Bearing FM: 180

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: AIR

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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: 4

Liner not required for Category: 4

Pit Location is BED AQUIFER

Pit Location Formation: SENORA

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

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.

PIT 2 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: SENORA

Notes:

Category

Description

HYDRAULIC FRACTURING

7/12/2016 - 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/](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

7/12/2016 - G64 - FORMATIONS UNSPACED; 80-ACRE LEASE (S2 SW4)