

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

API NUMBER: 111 27510

Approval Date: 08/09/2016  
Expiration Date: 02/09/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 06 Twp: 13N Rge: 11E County: OKMULGEE  
SPOT LOCATION:  SW  NE  SE  NW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 687 2208

Lease Name: LOVETTA Well No: 6-4 Well will be 432 feet from nearest unit or lease boundary.  
Operator Name: STALEY J I CO LLC Telephone: 2146868022 OTC/OCC Number: 23618 0

STALEY J I CO LLC  
4719 TAFT BLVD STE 1  
WICHITA FALLS, TX 76308-5002

LOVETTA ENNIS  
510 MONRONEY ROAD  
OKMULGEE OK 74447

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

	Name	Depth	Name	Depth	
1	RED FORK	1780	6	MISSISSIPPIAN	2725
2	BARTLESVILLE	2000	7	WOODFORD	3140
3	BOOCH	2300	8	MISENER	3170
4	DUTCHER	2400	9	VIOLA	3235
5	CROMWELL	2650	10	WILCOX	3265

Spacing Orders: 644677

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201602856

Special Orders:

Total Depth: 3450

Ground Elevation: 761

**Surface Casing: 130**

Depth to base of Treatable Water-Bearing FM: 70

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

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

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

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.

111 27510 LOVETTA 6-4

Category	Description
HYDRAULIC FRACTURING	8/9/2016 - 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 <a href="http://fracfocus.org/">HTTP://FRACFOCUS.ORG/</a> 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.
PENDING CD - 201602856	8/9/2016 - G64 - NW4 6-13N-11E X644677 RDFK, BRVL, BOCH, DTCR, CMWL, MSSP, WDFD, MSNR, VIOL, WLCX, OTHER 687' FSL, 432' FEL NO OP. NAMED REC. 8-8-16 (JOHNSON BY INITIALS)
SPACING - 644677	8/9/2016 - G64 - (160) NW4 6-13N-11E EXT 207639 RDFK, BRVL, BOCH, DTCR, CMWL, VIOL, WLCX, OTHER EST MSSP, WDFD, MSNR

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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.