

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

API NUMBER: 125 23914 A

Approval Date: 09/12/2016
Expiration Date: 03/12/2017

Straight Hole Oil & Gas

Amend reason: ADD FORMATIONS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 9N Rge: 2E County: POTTAWATOMIE
SPOT LOCATION: FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2310 1650

Lease Name: HILLERMAN Well No: 1-23 Well will be 660 feet from nearest unit or lease boundary.
Operator Name: K S OIL COMPANY INC Telephone: 4056345115 OTC/OCC Number: 2739 0

K S OIL COMPANY INC
713 SW 119TH ST
OKLAHOMA CITY, OK 73170-6067

CECIL AND NELDA HILLERMAN
22202 HWY 102
TECUMSEH OK 74873

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

	Name	Depth	Name	Depth
1	EARLSBORO	4985	6	
2	RED FORK	5044	7	
3	BARTLESVILLE	5130	8	
4	HUNTON	5310	9	
5			10	

Spacing Orders: 239901 Location Exception Orders: Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 5350 Ground Elevation: 1078 **Surface Casing: 465** Depth to base of Treatable Water-Bearing FM: 390

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: 1A
Liner required for Category: 1A
Pit Location is ALLUVIAL
Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31582
H. 20-MIL PIT LINER REQUIRED

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	9/6/2016 - 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 - 239901	9/20/2016 - G60 - (40) 23-9N-2E EXT 121405 HNTN, ERLB, RDFK, BRVL, OTHER EXT OTHERS EST OTHERS

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