

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

API NUMBER: 037 29350

Approval Date: 10/03/2016
Expiration Date: 04/03/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 16N Rge: 8E County: CREEK
SPOT LOCATION: C S2 S2 SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 330 1320

Lease Name: CANADY Well No: 2-A Well will be 330 feet from nearest unit or lease boundary.
Operator Name: LUKE OIL COMPANY Telephone: 9183675289 OTC/OCC Number: 18170 0

LUKE OIL COMPANY
PO BOX 1257
BRISTOW, OK 74010-1257

DON GARISON
37495 WEST 221 STREET SOUTH
BRISTOW OK 74010

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

Name	Depth	Name	Depth
1 HOGSHOOTER	1100	6 SKINNER	2450
2 LAYTON	1275	7 RED FORK	2600
3 JONES /SD/	1750	8 BARTLESVILLE	2800
4 OSWEGO	2150	9 DUTCHER	3150
5 PRUE	2300	10 WILCOX	3700

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3800 Ground Elevation: 887 **Surface Casing: 630** Depth to base of Treatable Water-Bearing FM: 580

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: VAMOOSA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

Notes:

This permit does not grant 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.

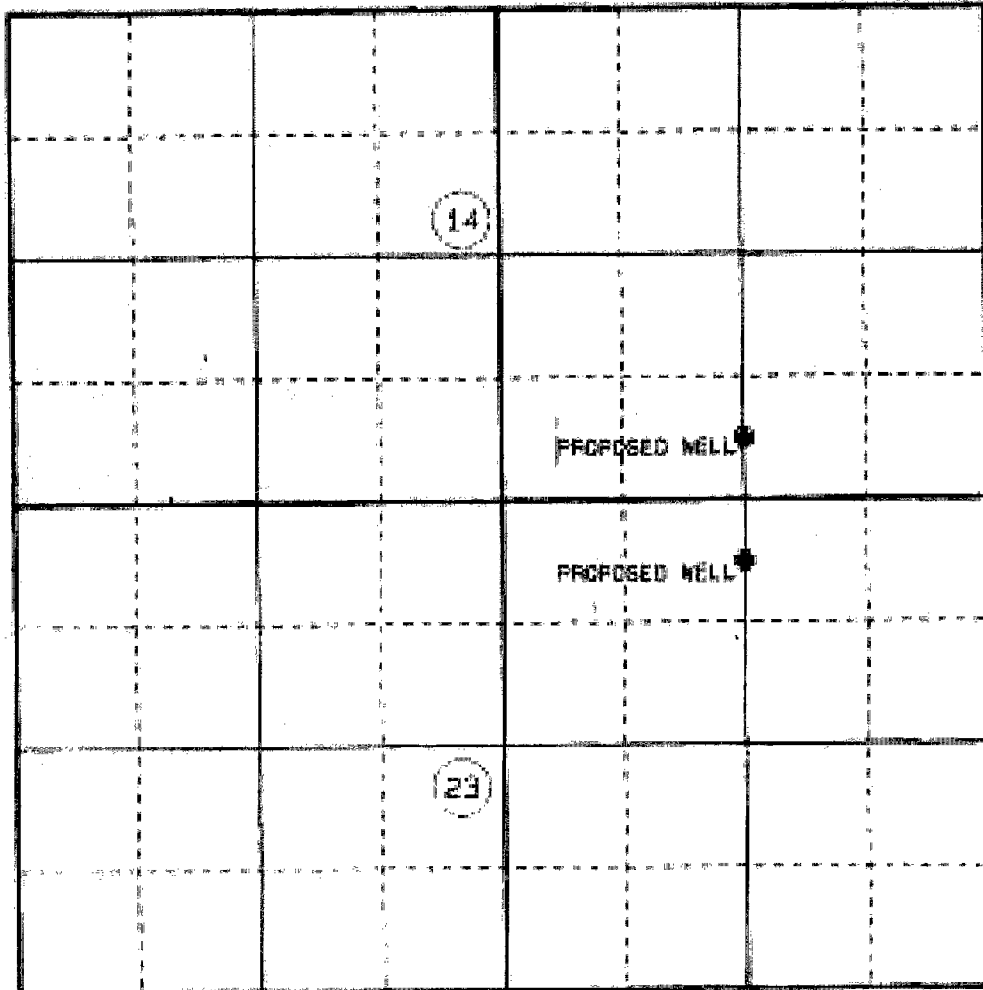
Category	Description
HYDRAULIC FRACTURING	9/30/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC 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	10/3/2016 - G75 - FORMATIONS UNSPACED; 80-ACRE LEASE (S2 SE4)
SURFACE LOCATION	10/3/2016 - G75 - 330' FSL, 1320' FEL SE4 14-16N-8E W/ GROUND ELEVATION OF 887' PER STAKING PLAT

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.

WELL LOCATION FOR: Tom McGuire

R-8-E

API 037-29350



PROPOSED WELL
1320' F.E.L. & 330' F.S.L.
SEC 14-T16N-R8E
ELEV 887'

PROPOSED WELL
1320' F.E.L. & 330' F.N.L.
SEC 23-T16N-R8E
ELEV 824'

T
16
N

DUE CARE AND DILIGENCE HAVE BEEN EXERCISED IN THE
STAKING OF THIS WELL LOCATION ON THE GROUND
ACCORDING TO THE BEST OFFICIAL RECORDS AND MAPS
AVAILABLE TO US.
PLEASE REVIEW THIS PLAT AND NOTIFY US IMMEDIATELY
OF ANY DISCREPANCY

PERSCO ENGINEERING AND SURVEYING
P.O. BOX 107, ORSTON, OK 73050
PHONE: 405-262-4400 FAX: 405-262-4400
C/O 1014

DATE OF THIS SURVEY: 11-28-15
BY: [Signature]