

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

API NUMBER: 103 24724

Approval Date: 11/02/2016
Expiration Date: 05/02/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 24N Rge: 1W

County: NOBLE

SPOT LOCATION: SE NE NE NW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2145 2475

Lease Name: G BELLMON

Well No: 7-31

Well will be 165 feet from nearest unit or lease boundary.

Operator Name: NAIFCO OIL & GAS LLC

Telephone: 4059478050

OTC/OCC Number: 21651 0

NAIFCO OIL & GAS LLC
PO BOX 75447
OKLAHOMA CITY, OK 73147-0447

GEORGE BELLMON
3706 KINGS STREET #1015
ENID OK 73703

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

	Name	Depth	Name	Depth
1	PERMIAN	800	6	
2	WABAUNSEE	1600	7	
3	PAWHUSKA	2000	8	
4	HOOVER	2100	9	
5	OREAD	2350	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2500

Ground Elevation: 971

Surface Casing: 220

Depth to base of Treatable Water-Bearing FM: 170

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? Y

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: WELLINGTON

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

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	11/1/2016 - 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	11/2/2016 - G64 - FORMATIONS UNSPACED; 160-ACRE LEASE (NW4) PER ITD

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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.