

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

API NUMBER: 103 24725

Approval Date: 11/03/2016
Expiration Date: 05/03/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 24N Rge: 1W County: NOBLE
SPOT LOCATION: E2 NW SE NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 990 1815

Lease Name: MORGAN Well No: 2-30 Well will be 825 feet from nearest unit or lease boundary.
Operator Name: GLM ENERGY INC Telephone: 4054702873; 4054702 OTC/OCC Number: 21301 0

GLM ENERGY INC
5732 NW 132ND ST
OKLAHOMA CITY, OK 73142-4430

GARY AND REBECCA WILLIAMS HWJT
12751 VALLEY
RED ROCK OK 74653

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

Name	Depth	Name	Depth
1 WABAUNSEE	1100	6 OREAD	2300
2 PAWHUSKA	1950	7	
3 HOOVER UP	2010	8	
4 HOOVER LOW /BASAL/	2050	9	
5 ELGIN	2200	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2500 Ground Elevation: 972 **Surface Casing: 230** 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: 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	11/2/2016 - 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	11/3/2016 - G64 - FORMATIONS UNSPACED; 160-ACRE LEASE (NW4) PER OPERATOR

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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.