

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

API NUMBER: 145 23398 A

Approval Date: 11/22/2016
Expiration Date: 05/22/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 10 Twp: 16N Rge: 16E County: WAGONER
SPOT LOCATION: NW SE SW NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 495 825

Lease Name: SUE STONE Well No: 14-10 Well will be 495 feet from nearest unit or lease boundary.
Operator Name: I-MAC PETROLEUM SERVICE INC Telephone: 9189952088 OTC/OCC Number: 15918 0

I-MAC PETROLEUM SERVICE INC
11726 S SANDUSKY AVE
TULSA, OK 74137-1855

THOMAS R. STONE
18690 HIGHWAY 51B
COWETA OK 74429

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

	Name	Depth	Name	Depth
1	DUTCHER	950	6	
2	MISSISSIPPI	1100	7	
3	WOODFORD	1450	8	
4	TYNER	1500	9	
5	ARBUCKLE	1600	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2000 Ground Elevation: 565 **Surface Casing: 170** Depth to base of Treatable Water-Bearing FM: 120

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

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	11/21/2016 - 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	12/9/2014 - G76 - FORMATIONS UNSPACED; 40-ACRE LEASE (SW4 NW4)

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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.