

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

API NUMBER: 117 23681 A

Approval Date: 06/28/2016
Expiration Date: 12/28/2016

Straight Hole Oil & Gas

Amend reason: ADD FORMATIONS; CHANGE TOTAL DEPTH

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 20N Rge: 8E

County: PAWNEE

SPOT LOCATION: NW NE SE SE

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1155 2244

Lease Name: SPESS FARMS

Well No: 2-14

Well will be 396 feet from nearest unit or lease boundary.

Operator Name: SPESS OIL COMPANY INC

Telephone: 9183585831; 9183585

OTC/OCC Number: 2057 0

SPESS OIL COMPANY INC
200 S BROADWAY ST
CLEVELAND, OK 74020-4617

SPESS FAMILY LTD PARTNERSHIP
200 SOUTH BROADWAY ST.
CLEVELAND OK 74020

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

Name	Depth	Name	Depth
1 CLEVELAND	1600	6 WILCOX	2812
2 SKINNER	2180	7	
3 RED FORK	2270	8	
4 BARTLESVILLE	2330	9	
5 MISSISSIPPI	2570	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2900

Ground Elevation: 847

Surface Casing: 180

Depth to base of Treatable Water-Bearing FM: 130

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: 2000 Average: 1500

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 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	6/28/2016 - 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	12/2/2016 - G75 - FORMATIONS UNSPACED; 160-ACRE LEASE (SE4)

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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.