

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

API NUMBER: 111 27515

Approval Date: 02/17/2017

Expiration Date: 08/17/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 28 Twp: 15N Rge: 12E County: OKMULGEE
SPOT LOCATION: C NE NW NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2310 990

Lease Name: GOLDEN DEMON Well No: 1-28 Well will be 330 feet from nearest unit or lease boundary.

Operator Name: STALEY J I CO LLC Telephone: 2146868022 OTC/OCC Number: 23618 0

STALEY J I CO LLC
4719 TAFT BLVD STE 1
WICHITA FALLS, TX 76308-5002

JANET JACKSON
9210 HAPPY CAMP ROAD
BEGGS OK 74421

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

| Name | Depth | Name | Depth |
|----------------|-------|----------------|-------|
| 1 SKINNER | 800 | 6 UNION VALLEY | 2215 |
| 2 RED FORK | 1400 | 7 MISSISSIPPI | 2260 |
| 3 BARTLESVILLE | 1530 | 8 WOODFORD | 2605 |
| 4 BOOCH | 1860 | 9 VIOLA | 2670 |
| 5 DUTCHER | 2055 | 10 WILCOX | 2700 |

Spacing Orders: 654358

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3750 Ground Elevation: 766 **Surface Casing: 450** Depth to base of Treatable Water-Bearing FM: 400

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

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: WEWOKA

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

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.

111 27515 GOLDEN DEMON 1-28

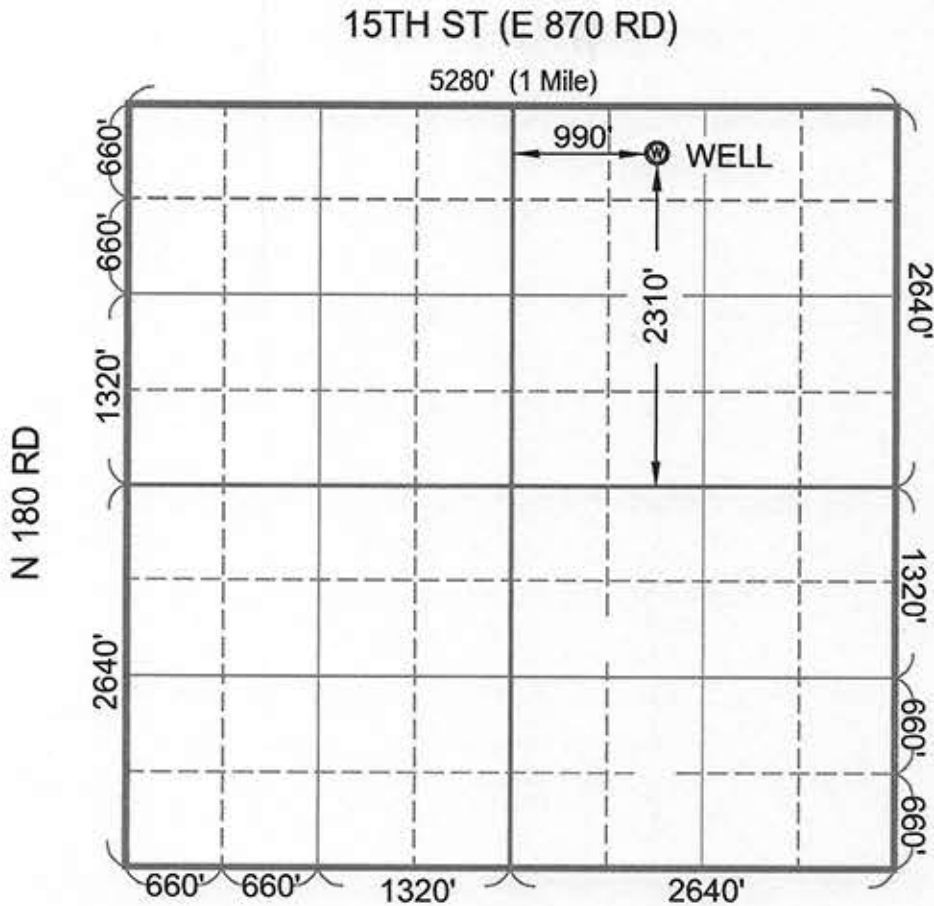
| Category | Description |
|----------------------|--|
| HYDRAULIC FRACTURING | 2/17/2017 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN 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 - 654358 | 2/17/2017 - G60 - (40) N2 NE4 28-15N-12E VAC 244320 RDFK, BRVL, BOCH, DTCR, UNVL, VIOL, WLCX EST SKNR, RDFK, BRVL, BOCH, DTCR, UNVL, MISS, WDFD, VIOL, WLCX |

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WELL EXHIBIT PLAT

"GOLDEN DEMON #1-28"
 LYING IN THE NORTHEAST QUARTER
 OF SECTION 28-T15N-R12E
 OF THE INDIAN MERIDIAN,
 OKMULGEE COUNTY, OKLAHOMA

3511127515



(1 Inch = 1320 Feet)

LINE AND SYMBOL LEGEND

PROPOSED WELL LOCATION

WELL DATA

| WELL DESC. | DISTANCE FSL | DISTANCE FWL | LAT. (DMS) | LONG (DMS) | LAT. (DEC.) | LONG. (DEC.) | GROUND ELEV. |
|--------------------------|--------------|--------------|------------------|------------------|-------------|--------------|--------------|
| GOLDEN DEMON No. 1-28 | 2310' FSL | 990' FWL | 35° 45' 16.09" N | 96° 02' 19.25" W | 35.75447 | -96.03868 | 766.5' |
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NOTES

- 1.) This Well Survey Plat was prepared for J.I. Staley Co., LLC and authorized by James Staley on February 9, 2017.
- 2.) While the locations as shown hereon were carefully staked and/or located according to official survey records, plats or other maps, it is not a land or boundary survey plat. Any linear and angular values shown on the sketch, if any, are based on record or deed information and have not been verified unless noted.
- 3.) Vertical Datum: NAVD 1929



Jason R. Lilly, OK PLS 1950

2-10-2017
Date

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 1109 WARREN ROAD
 HENRYETTA, OK 74437
 918-268-2502
 OFFICE@FORESIGHTSURVEYING.NET
 WWW.FORESIGHTSURVEYING.NET
 CA #7652



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|-------------|------------|
| SHEET: | 1 OF 1 |
| Date: | 02/10/2017 |
| Drawn by: | JRL |
| Checked by: | JRL |
| For: | Staley |
| Project No. | 17-0034 |