

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

API NUMBER: 045 23649

Approval Date: 04/27/2017

Expiration Date: 10/27/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 28 Twp: 24N Rge: 23W County: ELLIS  
SPOT LOCATION:  SW  NW  SE  NE FEET FROM QUARTER: FROM NORTH FROM EAST  
SECTION LINES: 1810 1162

Lease Name: BURGESS Well No: 28-1 Well will be 1162 feet from nearest unit or lease boundary.

Operator Name: BLACK MESA PRODUCTION LLC Telephone: 9189334454 OTC/OCC Number: 24018 0

BLACK MESA PRODUCTION LLC  
401 S BOSTON AVE STE 450  
TULSA, OK 74103

KIRK BURGESS  
1254 CADDO STREET  
WAKITA OK 73771

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

Name	Depth	Name	Depth
1 MORROW SAND	7820	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 39292

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201700074  
201700075

Special Orders:

Total Depth: 8000 Ground Elevation: 2218 **Surface Casing: 800** Depth to base of Treatable Water-Bearing FM: 430

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 8000 Average: 5000

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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 17-32490  
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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
DEEP SURFACE CASING	4/24/2017 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING
HYDRAULIC FRACTURING	4/24/2017 - 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 <a href="http://fracfocus.org/">HTTP://FRACFOCUS.ORG/</a> 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
PENDING CD - 201700074	4/27/2017 - G60 - (I.O.) 28-24N-23W X39292 1 WELL NO OP. NAMED REC. 4/26/17 (JOHNSON)
PENDING CD - 201700075	4/27/2017 - G60 - (I.O.) 28-24N-23W X39292 MWSD NCT 1810' FNL, NCT 1162' FEL NO OP NAMED REC. 2/26/17 (JOHNSON)
SPACING - 39292	4/27/2017 - G60 - (640) 28-24N-23W EXT 35126/VAR/36434 MWSD
SURFACE HOLE LOCATION	4/27/2017 - G60 - PER LOCATION EXCEPTION

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