

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

API NUMBER: 085 20396 B

Approval Date: 07/25/2017
Expiration Date: 01/25/2018

Straight Hole Oil & Gas

Amend reason: OCC CORRECTION: DISPOSAL METHOD

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 7S Rge: 2W County: LOVE
SPOT LOCATION: C NE NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1980 1980

Lease Name: NORTH PIKE SANDERS UNIT (CHOATE 1) Well No: 22-1 Well will be 660 feet from nearest unit or lease boundary.
Operator Name: JONES L E OPERATING INC Telephone: 5802551191 OTC/OCC Number: 19169 0

JONES L E OPERATING INC
PO BOX 1185
DUNCAN, OK 73534-1185

H. WILLIS CHOATE III
520 CIRCLE DRIVE
MARIETTA OK 73448

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

	Name	Depth	Name	Depth
1	SANDERS	8000	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 662476 Location Exception Orders: Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 8880 Ground Elevation: 778 Surface Casing: 640 IP Depth to base of Treatable Water-Bearing FM: 590

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

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 2500 Average: 500

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

E. Haul to Commercial pit facility: Sec. 19 Twn. 8N Rng. 5E Cnty. 125 Order No: 274874

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.

085 20396 NORTH PIKE SANDERS UNIT
(CHOATE 1) 22-1

Category	Description
HYDRAULIC FRACTURING	7/14/2017 - 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 - 662476	7/25/2017 - G60 - (UNIT) NE/4 NE/4 1-7S-2W EST NORTH PIKE SANDERS UNIT FOR THE SANDERS

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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.

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