

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

API NUMBER: 133 25285

Approval Date: 04/05/2018

Expiration Date: 10/05/2018

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 11 Twp: 7N Rge: 6E

County: SEMINOLE

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 330 660

Lease Name: MILSEY

Well No: 5-11

Well will be 330 feet from nearest unit or lease boundary.

Operator Name: CIRCLE 9 RESOURCES LLC

Telephone: 4055296577; 4055296

OTC/OCC Number: 23209 0

CIRCLE 9 RESOURCES LLC
PO BOX 249
OKLAHOMA CITY, OK 73101-0249

LOUISE ZEDD
P.O. BOX 217
SEMINOLE OK 74818

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

| | Name | Depth | Name | Depth | |
|---|-----------|-------|------|------------------|------|
| 1 | CALVIN | 2040 | 6 | SIMPSON DOLOMITE | 4120 |
| 2 | BOOCH | 3290 | 7 | 1ST WILCOX | 4150 |
| 3 | GILCREASE | 3310 | 8 | MARSHALL DOLO | 4210 |
| 4 | CROMWELL | 3390 | 9 | 2ND WILCOX | 4270 |
| 5 | VIOLA | 4050 | 10 | | |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201802194

Special Orders:

Total Depth: 4370

Ground Elevation: 0

Surface Casing: 1210

Depth to base of Treatable Water-Bearing FM: 1160

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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: VANOSS

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-34096

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 |
|------------------------|---|
| HYDRAULIC FRACTURING | <p>3/13/2018 - G71 - OCC 165:10-3-10 REQUIRES:</p> <p>1) PRIOR TO COMMENCEMENT OF HYDRAULIC FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE;</p> <p>2) WITH NOTICE ALSO GIVEN 48 HOURS IN ADVANCE OF HYDRAULIC FRACTURING ALL WELLS TO BOTH THE OCC CENTRAL OFFICE AND LOCAL DISTRICT OFFICES, USING THE "FRAC NOTICE FORM" FOUND AT THE FOLLOWING LINK: OCCEWEB.COM/OG/OGFORMS.HTML; AND,</p> <p>3) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS TO BE REPORTED TO FRACFOCUS WITHIN 60 DAYS AFTER THE CONCLUSION THE HYDRAULIC FRACTURING OPERATIONS, USING THE FOLLOWING LINK: FRACFOCUS.ORG</p> |
| PENDING CD - 201802194 | <p>4/2/2018 - G57 - (E.O.)(40) SW4 SW4 11-7N-6E X165:10-1-21 CLVN, ERBL, BOCH, GLCR, CMWL, VIOL, SMPSD, WLCX1, MRSDO, WLCX2 NCT 150' FSL, NCT 330' FEL NO OP. NAMED REC 3-27-2018 (JACKSON)</p> |
| SPACING | <p>4/5/2018 - G57 - FORMATIONS UNSPACED; LEASE OUTLINE 40-ACRES SW4 SW4 11-7N-6E</p> |