

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

API NUMBER: 119 24438

Approval Date: 04/09/2018
Expiration Date: 10/09/2018

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 02 Twp: 17N Rge: 6E County: PAYNE
SPOT LOCATION: NE NE NW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2475 1220

Lease Name: C MINOR FEE Well No: 4 Well will be 1220 feet from nearest unit or lease boundary.
Operator Name: BAUGH ALLAN L Telephone: 9186251712 OTC/OCC Number: 14665 0

BAUGH ALLAN L
12589 S 486TH WEST AVE
DRUMRIGHT, OK 74030-5914

LESLIE BRASEL
7195 SOUTH OAKGROVE ROAD
CUSHING OK 74023

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

Name	Depth	Name	Depth
1 OSAGE LAYTON /MISSOURIAN/	1350	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: No Spacing Location Exception Orders: _____ Increased Density Orders: _____

Pending CD Numbers: _____ Special Orders: _____

Total Depth: 1500 Ground Elevation: 0 **Surface Casing: 775** Depth to base of Treatable Water-Bearing FM: 720

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: 1700 Average: 900
Is depth to top of ground water greater than 10ft below base of pit? Y
Within 1 mile of municipal water well? Y
Wellhead Protection Area? Y

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: ADA

Approved Method for disposal of Drilling Fluids:

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

F. Haul to Commercial soil farming facility: Sec. 13 Twn. 19N Rng. 5E Cnty. 119 Order No: 561542

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>
PUBLIC WATER SUPPLY WELLS	<p>3/13/2018 - G71 - OAK GROVE SCHOOL - 1 PWS/WPA, NW/4 11-17N-6E & CUSHING - 1 PWS/WPA, SW/4 35-18N-6E</p>
SPACING	<p>4/6/2018 - G57 - FORMATIONS UNSPACED; LEASE OUTLINE 160-ACRES SW4 2-17N-6E PER OPERATOR</p>