

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

API NUMBER: 025 21078

Approval Date: 08/09/2018  
Expiration Date: 02/09/2019

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 03 Twp: 1N Rge: 9ECM County: CIMARRON  
SPOT LOCATION:  C  SE  NE  SE FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 1650 2310

Lease Name: WELLS Well No: 1-3 Well will be 1650 feet from nearest unit or lease boundary.  
Operator Name: FOSSIL CREEK ENERGY CORPORATION Telephone: 4059490880 OTC/OCC Number: 16410 0

FOSSIL CREEK ENERGY CORPORATION  
4216 N PORTLAND AVE STE 206  
OKLAHOMA CITY, OK 73112-6363

JOYCE LARENE WELLS  
RR 1, BOX 89  
TEXHOMA OK 73949

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

Name	Depth	Name	Depth
1 MORROW	4700	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 254737 Location Exception Orders: Increased Density Orders:  
Pending CD Numbers: Special Orders:

Total Depth: 4850 Ground Elevation: 3683 **Surface Casing: 1650** Depth to base of Treatable Water-Bearing FM: 670

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: WATER BASED  
Chlorides Max: 80000 Average: 5100  
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: 1B  
Liner required for Category: 1B  
Pit Location is BED AQUIFER  
Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:  
A. Evaporation/dewater and backfilling of reserve pit.  
H. MIN. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

**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	8/2/2018 - 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	8/1/2018 - G71 - OCC 165:10-3-10 REQUIRES:  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;  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: <a href="http://OCCEWEB.COM/OG/OGFORMS.HTML">OCCEWEB.COM/OG/OGFORMS.HTML</a> ; AND,  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: <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a>
SPACING - 254737	8/8/2018 - G57 - (40) 3-1N-9ECM VAC 56896 MRRW EXT & MOD 36307/239892 MRRW 640-ACRES TO 40-ACRES

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