

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

API NUMBER: 123 23877

Approval Date: 01/08/2018

Expiration Date: 07/08/2018

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 5N Rge: 4E

County: PONTOTOC

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2310 2310

Lease Name: BABB

Well No: 1-9

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

Operator Name: GULF EXPLORATION LLC

Telephone: 4058403371

OTC/OCC Number: 20983 0

GULF EXPLORATION LLC  
9701 N BROADWAY EXT  
OKLAHOMA CITY, OK 73114-6316

BEAU & MARANDA BABB  
12906 SE CR 3510  
ADA OK 74820

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

	Name	Depth		Name	Depth
1	WEWOKA MID	2300	6	SIMPSON DOLOMITE	2890
2	CALVIN	2360	7	1ST WILCOX	3000
3	PENN BASAL UNCONF SAND	2500	8	2ND WILCOX	3100
4	SYLVAN	2660	9		
5	VIOLA	2770	10		

Spacing Orders: 671553

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3400

Ground Elevation: 938

**Surface Casing: 160**

Depth to base of Treatable Water-Bearing FM: 40

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 not located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is NON HSA

Pit Location Formation: VANOSS

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

F. Haul to Commercial soil farming facility: Sec. 27 Twn. 2N Rng. 9E Cnty. 29 Order No: 535467

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.

123 23877 BABB 1-9

Category	Description
FM.	1/8/2018 - G57 - HNTN REMOVED PER OPERATOR
HYDRAULIC FRACTURING	<p>12/22/2017 - 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: <a href="http://OCCWEB.COM/OG/OGFORMS.HTML">OCCWEB.COM/OG/OGFORMS.HTML</a>; 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: <a href="http://FRACFOCUS.ORG">FRACFOCUS.ORG</a></p>
SHL	1/5/2018 - G57 - SURFACE HOLE LOCATION 2310' FSL & 2310' FWL PER OPERATOR
SPACING - 671553	<p>1/5/2018 - G57 - (40) E2 SW4 9-5N-4E</p> <p>VAC 192775 CLVN, VIOL, WLCX2, OTHERS</p> <p>EXT 658403 WWOKM, CLVN, BPUNC, SLVN, VIOL, SMPSD, WLCX1, WLCX2, OTHER</p>