

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

API NUMBER: 081 24305

Approval Date: 07/16/2018

Expiration Date: 01/16/2019

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 29 Twp: 13N Rge: 2E

County: LINCOLN

SPOT LOCATION:

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 2310 355

Lease Name: OSTERHAUS

Well No: 1-29

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

Operator Name: SUNDOWN ENERGY LP

Telephone: 2143686100

OTC/OCC Number: 21689 0

SUNDOWN ENERGY LP  
16400 DALLAS PKWY STE 100  
DALLAS, TX 75248-2609

CARY OSTERHAUS  
2090 DELRIDGE  
ROSEBURG OR 97470

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

Name	Depth	Name	Depth
1 SKINNER	5070	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 65468

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 5200

Ground Elevation: 1035

**Surface Casing: 440**

Depth to base of Treatable Water-Bearing FM: 390

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 5000 Average: 3000

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 18-34884

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.

081 24305 OSTERHAUS 1-29

Category	Description
HYDRAULIC FRACTURING	<p>7/6/2018 - 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: <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>
SPACING - 65468	<p>7/13/2018 - G57 - (40) N2 29-13N-2E NCT 330' FB EXT 28158 SKNR</p>