

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

API NUMBER: 141 20518 A

Approval Date: 04/06/2018  
Expiration Date: 10/06/2018

Straight Hole Oil & Gas

Amend reason: CHANGE OPERATOR; DELETE FORMATION

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 08 Twp: 3S Rge: 18W County: TILLMAN  
SPOT LOCATION: ☐ NE ☐ SW ☐ NW ☐ SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 1840 2280

Lease Name: VARNER-FILLMORE TRUST Well No: 1 Well will be 353 feet from nearest unit or lease boundary.  
Operator Name: NEWKUMET EXPLORATION INC Telephone: 4326871101 OTC/OCC Number: 19935 0

NEWKUMET EXPLORATION INC  
PO BOX 11330  
MIDLAND, TX 79702-1330

THE VARNER-FILLMORE TRUST  
P.O. BOX 165  
DAVIDSON OK 73530

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

	Name	Depth	Name	Depth
1	HENDERSON	3710	6	
2	CANYON	3850	7	
3	STRAWN	4660	8	
4	MISSISSIPPIAN	5610	9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 6000 Ground Elevation: 1270 Surface Casing: 160 Depth to base of Treatable Water-Bearing FM: 110

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: Yes Surface Water used to Drill: No

PIT 1 INFORMATION

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: 1B

Liner required for Category: 1B

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

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
HYDRAULIC FRACTURING	<p>3/26/2018 - 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	8/24/2018 - G75 - FORMATIONS UNSPACED; 160-ACRE LEASE (SE4)