API NUMBER: 005 20468

Straight Hole Oil & Gas

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

Approval Date: 11/08/2018
Expiration Date: 05/08/2020

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 1N Rge: 15E County: ATOKA

SPOT LOCATION: SW SW SE SW FEET FROM QUARTER: FROM **SOUTH** FROM **WEST**
SECTION LINES: **165** **1535**

Lease Name: DUSU **Well No: 5-59A** **Well will be 165 feet from nearest unit or lease boundary.**

Operator Name: **WESTERN OIL AND GAS DEVELOPMENT CORP** Telephone: 4052354590 OTC/OCC Number: 14635 0

WESTERN OIL AND GAS DEVELOPMENT CORP
420 NW 13TH ST
OKLAHOMA CITY, OK 73103-3735

WESTERN ENERGY PARTNERS, LTD
420 NW 13TH STREET
OKLAHOMA CITY OK 73103

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

	Name	Depth		Name	Depth
1	STANLEY UP	1833	6		
2			7		
3			8		
4			9		
5			10		

Spacing Orders: 540575 Location Exception Orders: Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 2100 Ground Elevation: 751 **Surface Casing: 350** Depth to base of Treatable Water-Bearing FM: 300

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

PIT 1 INFORMATION

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** located in a Hydrologically Sensitive Area.
Category of Pit: C
Liner not required for Category: C
Pit Location is AP/TE DEPOSIT
Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 18-35834
H. SEE MEMO

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.

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 200000

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: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Notes:

Category	Description
HYDRAULIC FRACTURING	10/29/2018 - GA8 - 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: OCCEWEB.COM/OG/OGFORMS.HTML; 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: FRACFOCUS.ORG
MEMO	10/29/2018 - GA8 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
SPACING - 540575	10/30/2018 - G75 - (UNIT) S2 5-1N-15E EST DAISY UPPER STANLEY UNIT FOR STNLU

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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.