

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

API NUMBER: 049 25163

Approval Date: 11/16/2017

Expiration Date: 05/16/2018

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 2N Rge: 1E

County: GARVIN

SPOT LOCATION: ☐ SW ☐ SW ☐ NW ☐ SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 1492 2425

Lease Name: GRAVES

Well No: 3-32

Well will be 172 feet from nearest unit or lease boundary.

Operator Name: SOUTHSTAR EXPLORATION LLC

Telephone: 4052321719

OTC/OCC Number: 23709 0

SOUTHSTAR EXPLORATION LLC
6701 BROADWAY EXT STE 301
OKLAHOMA CITY, OK 73116-8236

PETE GRAVES
929 N. COLBERT
DAVIS OK 73030

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

	Name	Depth	Name	Depth
1	HOXBAR	3252	6	
2	DEESE	4000	7	
3	PENN UNCONF	4072	8	
4	VIOLA	4102	9	
5			10	

Spacing Orders: 510378

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201705963

Special Orders:

Total Depth: 4200

Ground Elevation: 909

Surface Casing: 240

Depth to base of Treatable Water-Bearing FM: 140

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: 3000 Average: 2500

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 BED AQUIFER

Pit Location Formation: WELLINGTON

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

PERMIT NO: 17-34008

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

Additional Surface Owner

Address

City, State, Zip

TONY L. GRAVES

27652 NORTH COUNTY ROAD 3250

WYNNEWOOD, OK 73098

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>11/13/2017 - 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: OCCEWEB.COM/OG/OGFORMS.HTML; 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: FRACFOCUS.ORG</p>
PENDING CD - 201705963	<p>11/14/2017 - G57 - (I.O.) N2 SE4 32-2N-1E X510378 HXBR, DEESS, PVUNC, VIOL NCT 50' FSL, NCT 200' FWL NO OP. NAMED REC 9/26/2017 (NORRIS)</p>
SPACING - 510378	<p>11/14/2017 - G57 - (80) S2 32-2N-1E LD (SU PER 535621) NE/SW VAC 122866 DEESS S2 EXT OTHERS EXT 318870 VIOL EST HXBR, DEESS, PVUNC, OTHERS</p>
WATERSHED STRUCTURE	<p>11/13/2017 - G71 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (405) 238-7233 PRIOR TO DRILLING</p>