

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

API NUMBER: 103 24735 A

Approval Date: 10/17/2017  
Expiration Date: 04/17/2018

Straight Hole Oil & Gas

Amend reason: ADD FORMATIONS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 35 Twp: 24N Rge: 1W

County: NOBLE

SPOT LOCATION: ☐ NE ☐ NW ☐ SW ☐ SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 1060 335

Lease Name: WILLIAMS

Well No: 13-35

Well will be 335 feet from nearest unit or lease boundary.

Operator Name: K3 OIL & GAS OPERATING COMPANY

Telephone: 8328138558

OTC/OCC Number: 24093 0

K3 OIL & GAS OPERATING COMPANY  
24900 PITKIN RD STE 305  
THE WOODLANDS, TX 77386-1973

DENNIS WILLIAMS  
8700 COUNTY RD. 100  
RED ROCK OK 74651

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

|   | Name          | Depth | Name | Depth |
|---|---------------|-------|------|-------|
| 1 | SKINNER       | 4358  | 6    |       |
| 2 | RED FORK      | 4448  | 7    |       |
| 3 | MISSISSIPPIAN | 4624  | 8    |       |
| 4 | WILCOX        | 5270  | 9    |       |
| 5 |               |       | 10   |       |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 5370

Ground Elevation: 1004

**Surface Casing: 440**

Depth to base of Treatable Water-Bearing FM: 190

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: ON SITE

A. Evaporation/dewater and backfilling of reserve pit.

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

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>10/17/2017 - 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> |
| SPACING              | <p>11/17/2017 - G75 - FORMATIONS UNSPACED; 160-ACRE LEASE (SW4)</p>  |