API NUMBER: 111 27538

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

Approval Date: 05/28/2020
Expiration Date: 11/28/2021

Straight Hole Oil & Gas

PERMIT TO DRILL

SPOT LOCATION:	NE SW NW	SW										
		SW	EET FROM QUART	ER: FROM	SOUTH	FROM	west					
			SECTION LIN	ES:	1815		435					
Lease Name: S	STEELE			Well No:	11-27			Well will be	435	feet from nearest unit	or lease bounda	ry.
Operator Name: S	STALEY JICO LLC			Telephone:	21468680	122				OTC/OCC Num	ber: 23618	0
STALEY J I CO	LLC											
15215 N SKYLI	NE DR						TERRY BLACK					
OKMULGEE,		OK 74	447-2109				15265 HWY. 16					
							BEGGS			OK 74421		
						L						
Formation(s) ((Permit Valid for Li	sted Format	ions Only):									
Name	•	Code	- 7,	Depth								
1 BARTLESVILLI	E	404BRVL		1250								
2 BOOCH		404BOCH		1600								
Spacing Orders: No	Spacing		Lo	cation Excep	ption Orders	s: N	o Exceptions		In	ncreased Density Orders:	No Density Ord	ers
Pending CD Numbers	: No Pending									Special Orders:	No Special Orde	rs
Total Depth: 180	00 Ground E	Elevation: 703		Surface (Casing:	90		Depth t	to base	of Treatable Water-Bearing	g FM: 40	
Under Federal Jurisdiction: No						Α	Approved Method for disposal of Drilling Fluids:					
Fresh Water Supply Well Drilled: No					Α	A. Evaporation/dewater and backfilling of reserve pit.						
Surface W	Vater used to Drill: No											
PIT 1 INFORM	ATION						Category o	f Pit: 4				
Type of Pit System: ON SITE							Liner not required for Category: 4					
Type of Mud System: AIR							Pit Location is: NON HSA					
							Pit Location Forma					
Is depth to top of ground water greater than 10ft below base of pit? Y					Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).							
Within 1 mil	e of municipal water wel	I? N										
V	Vellhead Protection Area	a? N										
		Sensitive Area.										

NOTES:	
Category	Description
HYDRAULIC FRACTURING	5/21/2020 - G71 - 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