

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

API NUMBER: 019 25828

Approval Date: 01/15/2013

Expiration Date: 07/15/2013

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 1S Rge: 3W County: CARTER  
SPOT LOCATION:  SE  SE  SW  SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 95 1345

Lease Name: TATUMS FIELD UNIT Well No: 71-6 Well will be 635 feet from nearest unit or lease boundary.

Operator Name: CITATION OIL & GAS CORPORATION Telephone: 2818911000 OTC/OCC Number: 14156 0

CITATION OIL & GAS CORPORATION  
P.O. BOX 690688  
HOUSTON, TX 77269-0688

WORTH M. GROSS, TRUSTEE  
5812 S. DELAWARE AVENUE  
TULSA OK 74105

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

	Name	Depth	Name	Depth
1	TATUMS	2572	6	
2	STRAY SAND	2757	7	
3			8	
4			9	
5			10	

Spacing Orders: 47677

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3400 Ground Elevation: 1009 Surface Casing: 0 Depth to base of Treatable Water-Bearing FM: 1200

**Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.**

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

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 2500 Average: 2000

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: GARBER

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

H. CBL REQUIRED

PERMIT NO: 13-22335

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
ALTERNATE CASING	1/14/2013 - G71 - APPROVED WITH THE FOLLOWING CONDITIONS: 1) DRILLING FLUID WILL BE MUD PRIOR TO TOTAL DEPTH; 2) A COPY OF CBL TO BE REVIEWED AND APPROVED BY OCC TECHNICAL STAFF PRIOR TO ANY COMPLETION WORK BEING COMMENCED; AND 3) PER OPERATOR, IF LOST CIRCULATION OCCURS DURING DRILLING, THE PRODUCTION CASING WILL BE CEMENTED FROM TD TO SURFACE UTILIZING A DV TOOL
SPACING - 47677	1/14/2013 - G75 - (UNIT) SE4 23 & N2 NE4 NE4, NE4 NW4 NE4 26-1S-3W EST TATUMS FIELD UNIT FOR TTMS, STRY, OTHER

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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.