

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

API NUMBER: 019 25834

Approval Date: 02/14/2013
Expiration Date: 08/14/2013

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 2S Rge: 3W County: CARTER
SPOT LOCATION: E2 NW NE NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2310 1865

Lease Name: BROOKS Well No: 25 Well will be 330 feet from nearest unit or lease boundary.
Operator Name: BUTKIN OIL COMPANY LLC Telephone: 5802524311 OTC/OCC Number: 21023 0

BUTKIN OIL COMPANY LLC
P.O. Box 2090
DUNCAN, OK 73534-2090

ESTATE OF WILLIAM HOBBS C/O KIM CHANCELLOR
3662 MOBIL RD
HEALDTON OK 73438

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

	Name	Depth	Name	Depth
1	PONTOTOC	200	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing Location Exception Orders: Increased Density Orders:
Pending CD Numbers: Special Orders:

Total Depth: 1500 Ground Elevation: 902 Surface Casing: 0 Depth to base of Treatable Water-Bearing FM: 40

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: No

PIT 1 INFORMATION

Type of Pit System: ON SITE
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: OSCAR

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. CBL REQUIRED

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	2/13/2013 - G71 - APPROVED CONTINGENT ON (1) MUDDING UP PRIOR TO TD TO PROTECT SHALLOW SANDS & (2) COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF AS SOON AS POSSIBLE. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D) (4)(C)
SPACING	2/13/2013 - G30 - FORMATIONS UNSPACED, 20 ACRE LEASE (N2 NE4 NE4)

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