

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

API NUMBER: 047 24680

Approval Date: 02/22/2013

Expiration Date: 08/22/2013

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 24 Twp: 22N Rge: 4W

County: GARFIELD

SPOT LOCATION: C NW SE

FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 660 660

Lease Name: SOUTH WALKER

Well No: 47

Well will be 660 feet from nearest unit or lease boundary.

Operator Name: M M ENERGY INC

Telephone: 4054633355

OTC/OCC Number: 19118 0

M M ENERGY INC
PO BOX 21904
OKLAHOMA CITY, OK 73156-1904

ARCO ENVIROMENTAL REMEDIATION, LLC
1701 SUMMIT SUITE 2
PLANO TX 75074

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

Name	Depth	Name	Depth
1 HOY	1150	6 TONKAWA	3250
2 WINFIELD	1300	7 LAYTON	3900
3 HOTSON	1550	8 BIG LIME	4400
4 FORAKER	1600	9 WILCOX	4500
5 CREWS	2000	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 4800

Ground Elevation: 1095

Surface Casing: 300

Depth to base of Treatable Water-Bearing FM: 200

Under Federal Jurisdiction: Yes

Fresh Water Supply Well Drilled: Yes

Surface Water used to Drill: Yes

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: 1A

Liner required for Category: 1A

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

E. Haul to Commercial pit facility: Sec. 15 Twn. 24N Rng. 7W Cnty. 47 Order No: 284167

H. 20-MIL LINER 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

SPACING

2/22/2013 - G30 - FORMATIONS UNSPACED, 160 ACRE LEASE (SE4)

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.

047 24680 SOUTH WALKER 47