

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

API NUMBER: 049 24949

Approval Date: 05/13/2013  
Expiration Date: 11/13/2013

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 24 Twp: 1N Rge: 2W County: GARVIN  
SPOT LOCATION:     FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 330 330

Lease Name: JOY 2 Well No: 2-24 Well will be 330 feet from nearest unit or lease boundary.

Operator Name: OBELE OPERATING COMPANY LLC Telephone: 9282824908 OTC/OCC Number: 21608 0

OBELE OPERATING COMPANY LLC  
1485 W HWY 89A STE 5  
SEDONA, AZ 86336-5745

MARGARET M. DAVIS  
31230 N COUNTRY RD 3170  
ELMORE CITY OK 73433

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

	Name	Depth	Name	Depth
1	DEESE 1	5630	6	
2	DEESE 2	6000	7	
3	DEESE 3 (GIBSON)	6300	8	
4	DEESE 4 (HART)	6500	9	
5	DEESE 5 (OSBORN)	6700	10	

Spacing Orders: 363673

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 7050

Ground Elevation: 0

**Surface Casing: 260**

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

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: GARBER

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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.

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Category

Description

SPACING - 363673

5/13/2013 - G30 - (40) N2 NE4 24-1N-2W  
EXT 350738 DEES1, DEES2, DS3GB, DS4HT, DS5OS, OTHERS

This permit does not address the right of entry or settlement of surface damages.  
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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.

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