

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

API NUMBER: 087 21981

Approval Date: 01/08/2014

Expiration Date: 07/08/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 5N Rge: 4W County: MCCLAIN
SPOT LOCATION: W2 E2 SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 660 2030

Lease Name: LANG TRUST Well No: 1-32 Well will be 610 feet from nearest unit or lease boundary.
Operator Name: RED ROCKS OIL & GAS OPERATING LLC Telephone: 4056003065 OTC/OCC Number: 22649 0

RED ROCKS OIL & GAS OPERATING LLC
1141 N ROBINSON AVE STE 301
OKLAHOMA CITY, OK 73103-4919

LANG REVOCABLE LIVING TRUST
11357 100TH STREET
LINDSAY OK 73052

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

| Name | Depth | Name | Depth |
|----------------------------|-------|-----------------------------|-------|
| 1 SYCAMORE | 9715 | 6 SIMPSON (ABOVE OIL CREEK) | 11320 |
| 2 WOODFORD | 9840 | 7 | |
| 3 HUNTON (LS CHIMNEY HILL) | 10050 | 8 | |
| 4 CHIMNEY HILL | 10495 | 9 | |
| 5 VIOLA | 10690 | 10 | |

Spacing Orders: 30486
37171

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201308632
201308633
201308634

Special Orders:

Total Depth: 12300 Ground Elevation: 1097 Surface Casing: 1000 Depth to base of Treatable Water-Bearing FM: 270

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

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26130
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION

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 |
|------------------------|---|
| DEEP SURFACE CASING | 1/8/2014 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING |
| FRAC FOCUS | 1/8/2014 - G71 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FOR HYDRAULIC FRACTURING OPERATIONS BEGINNING JANUARY 1, 2014. REFER TO OCC RULE 165:10-3-10 FOR COMPLIANCE REQUIREMENTS. PLEASE REPORT DIRECTLY TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM |
| PENDING CD - 201308632 | 1/8/2014 - G30 - (E.O.)(80) E2 SW4 32-5N-4W SU NE/SW EXT 363416 SCMR, HTLCH EXT 540874 WDFD, VIOL REC 12/31/13 (NORRIS) |
| PENDING CD - 201308633 | 1/8/2014 - G30 - (E.O.) E2 SW4 32-5N-4W X30486 SPAOC 1 WELLS NO OP. NAMED REC 12/31/13 (NORRIS) |
| PENDING CD - 201308634 | 1/8/2014 - G30 - (E.O.) E2 SW4 32-5N-4W X30486 SPAOC X37171 CMNL X201308632 SCMR, WDFD, HTLCH, VIOL NCT 660 FSL, NCT 610 FEL OF SE4 SW4 NO OP. NAMED REC 12/31/13 (NORRIS) |
| SPACING - 30486 | 1/8/2014 - G30 - (80) 32-5N-4W SU NE/SW EST SPAOC |
| SPACING - 37171 | 1/8/2014 - G30 - (80) 32-5N-4W SU NE/SW EST CMNL |

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087 21981 LANG TRUST 1-32