

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

API NUMBER: 071 24731

Approval Date: 02/11/2014  
Expiration Date: 08/11/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 25N Rge: 1E County: KAY  
SPOT LOCATION:     FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 330 330

Lease Name: PHIPPS Well No: 23-2 Well will be 330 feet from nearest unit or lease boundary.  
Operator Name: INTERNATIONAL ENERGY CORPORATION Telephone: 9187437300 OTC/OCC Number: 22390 0

INTERNATIONAL ENERGY CORPORATION  
1801 E 71ST  
TULSA, OK 74136-3922

HT RANCH LLC  
4108 E. 47TH ST.  
TULSA OK 74135

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

	Name	Depth	Name	Depth	
1	LAYTON	2977	6	WOODFORD	4394
2	CLEVELAND	3369	7	WILCOX	4439
3	SKINNER	3787	8		
4	RED FORK	3865	9		
5	MISSISSIPPI	4037	10		

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 4800 Ground Elevation: 932 **Surface Casing: 250** Depth to base of Treatable Water-Bearing FM: 130

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

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: 14-26396  
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, 20-MIL LINED TRENCH  
PIT FOR SOIL FARMING

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
FRAC FOCUS	2/10/2014 - 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 <a href="http://fracfocus.org/">HTTP://FRACFOCUS.ORG/</a> OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
SPACING	2/11/2014 - G75 - FORMATIONS UNSPACED; 80-ACRE LEASE (W2 SE4)
SURFACE CASING	2/10/2014 - G71 - MIN. 250' PER ORDER # 240901

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