

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

API NUMBER: 087 21985

Approval Date: 02/12/2014

Expiration Date: 08/12/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 5N Rge: 3W County: MCCLAIN  
SPOT LOCATION:  SE  NW  NW  NW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 2205 640

Lease Name: C.W. HARRISON Well No: 1-31 Well will be 435 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

HARRISON INVESTMENT CO #1 & #2  
PO BOX 336  
LINDSAY OK 73052

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

Name	Depth	Name	Depth
1 DEESE	7115	6 VIOLA	9375
2 WOODFORD	8418	7 SIMPSON (ABOVE OIL CREEK)	10050
3 HARAGAN	8800	8	
4 HENRYHOUSE	8920	9	
5 CHIMNEY HILL	9100	10	

Spacing Orders: 22585 Location Exception Orders: 621208 Increased Density Orders:  
338918  
41614

Pending CD Numbers: Special Orders:

Total Depth: 11250 Ground Elevation: 961 Surface Casing: 1000 Depth to base of Treatable Water-Bearing FM: 280

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: 14-26388

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	2/7/2014 - 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	2/7/2014 - 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
LOCATION EXCEPTION - 621208	2/11/2014 - G30 - W2 NW4 31-5N-3W X338918 HRGN, HNRS, CMNL, VIOL X41614 SPAOC 435 FNL, 640 FWL RED ROCKS OIL AND GAS OPERATING, LLC 2/4/14
SPACING	2/11/2014 - G30 - WOODFORD UNSPACED, 80 ACRE LEASE (W2 NW4)
SPACING - 22585	2/11/2014 - G30 - (40) 31-5N-3W EXT 20733/OTHERS/22404 DEESS
SPACING - 338918	2/11/2014 - G30 - (80) NW4 31-5N-3W SU NE/SW EST SCMR, HRGN, HNRS, CMNL EXT 213511 VIOL
SPACING - 41614	2/11/2014 - G30 - (80) N2 31-5N-3W SU NE/SW DEL 19573 (N2) EST SPAOC
SURFACE CASING	2/7/2014 - G71 - MIN. 400' PER ORDER 20066
WATERSHED STRUCTURE	2/7/2014 - G71 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (405) 527-3452 PRIOR TO DRILLING