

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

API NUMBER: 137 27165

Approval Date: 02/12/2014
Expiration Date: 08/12/2014

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 12 Twp: 2S Rge: 4W County: STEPHENS
SPOT LOCATION: NE SW NW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1870 340

Lease Name: **B&W NORTON** Well No: 1-12 Well will be 340 feet from nearest unit or lease boundary.
Operator Name: **B & W OPERATING LLC** Telephone: 4052361807 OTC/OCC Number: 21277 0

B & W OPERATING LLC
100 PARK AVE STE 1020
OKLAHOMA CITY, OK 73102-5601

BOB NORTON & PAM NORTON
P.O. BOX 96
VELMA OK 73491

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

	Name	Depth	Name	Depth
1	HOXBAR	2500	6	
2	HUNTON	6500	7	
3	VIOLA	7500	8	
4			9	
5			10	

Spacing Orders: 196530 Location Exception Orders: Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 8250 Ground Elevation: 1088 **Surface Casing: 500** Depth to base of Treatable Water-Bearing FM: 380

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.
- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26367

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 HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
SPACING - 196530	2/12/2014 - G75 - (80) N2 SW4 12-2S-4W LD NW/SE VAC 20369 PSLV N2 SW4 EXT 100495 HNTN, VIOL EST HXBR, OTHER

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