

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

API NUMBER: 071 24754

Approval Date: 04/30/2014
Expiration Date: 10/30/2014

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 EAST
SECTION LINES: 980 330

Lease Name: PHIPPS Well No: 23-4 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 ST
TULSA, OK 74136-3922

H.T. RANCH, LLC
4108 E 47TH ST.
TULSA OK 74135

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

	Name	Depth	Name	Depth	
1	LAYTON	2952	6	WOODFORD	4366
2	CLEVELAND	3323	7	WILCOX	4416
3	SKINNER	3760	8		
4	RED FORK	3816	9		
5	MISSISSIPPI	4005	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: 140

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: 14-27050
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, 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	4/30/2014 - 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	4/30/2014 - G72 - 23-25N-1E FORMATIONS UNSPACED; LEASE OUTLINE (E2 SW) PER ITD;
SURFACE CASING	4/30/2014 - G71 - MIN. 250' PER ORDER 240901

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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.

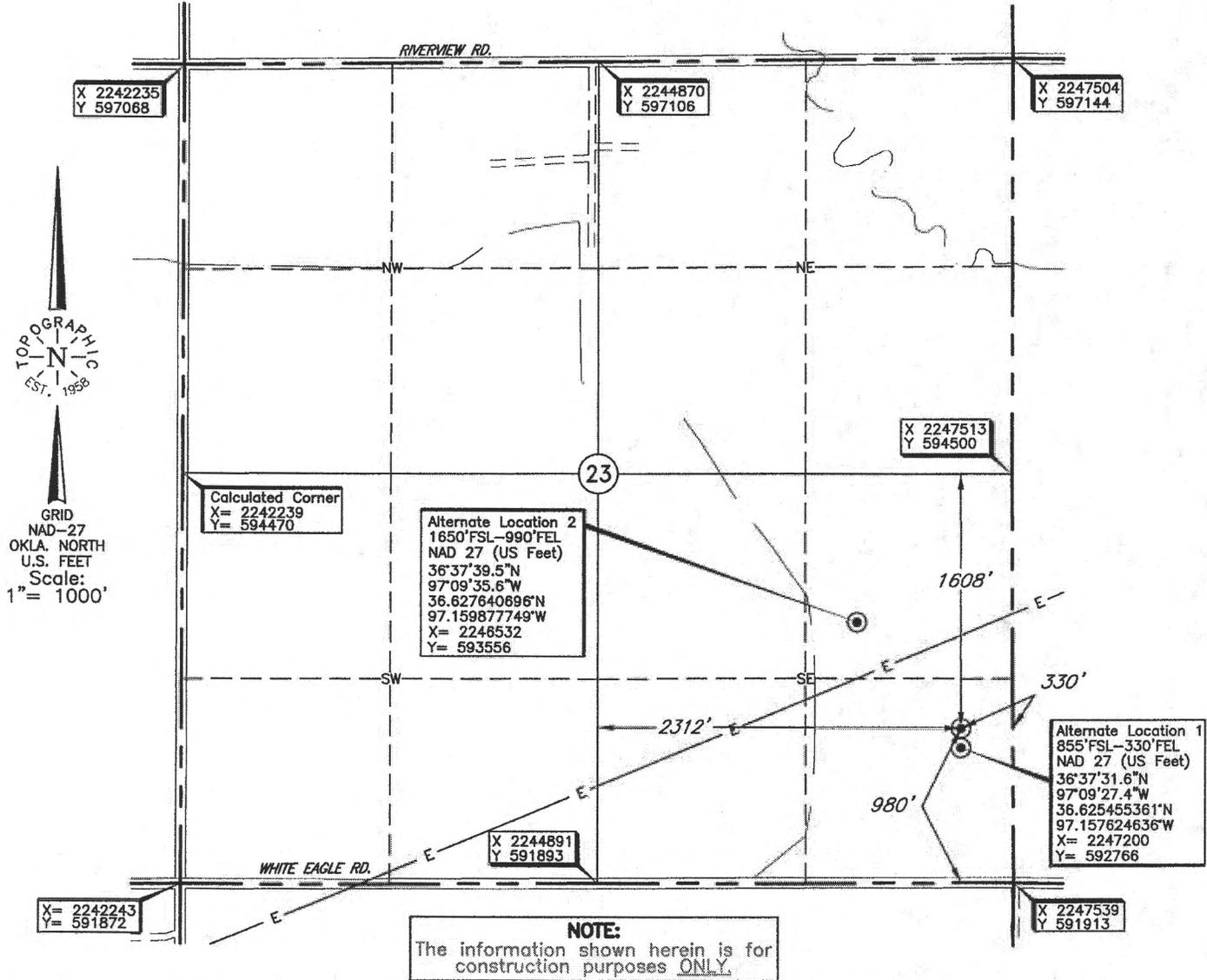
APT 071 24754

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73118 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
Certificate of Authorization No. 1293.

KAY County, Oklahoma

980'FSL-330'FEL Section 23 Township 25N Range 1E I.M.



Operator: INTERNATIONAL ENERGY CORPORATION

Lease Name: PHIPPS Well No.: 23-4

ELEVATION:
932' Gr. at Stake

Topography & Vegetation Loc. fell on South top bank of water way. Alt. Loc. 1 fell in grass pasture. Alt. Loc. 2 fell in grass pasture.

Good Drill Site? No, Alt. Loc. 1- Yes, Alt. Loc. 2- Yes

Reference Stakes or Alternate Location
Stakes Set Alt. Loc. 1: 855'FSL-330'FEL Elev.: 930' Gr. at Stake
Alt. Loc. 2: 1650'FSL-990'FEL Elev.: 935' Gr. at Stake

Best Accessibility to Location From county road South of location.

Distance & Direction
from Hwy Jct or Town From Tonkawa, Oklahoma, go ±0.2 mi. North, then ±7.5 mi. East on Old U.S. Hwy. 77, then ±4.0 mi. South, then ±1.0 mi. East on White Eagle Rd. to the SE Corner of Section 23, T25N-R1E.

This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy.

DATUM: NAD-27
LAT: 36°37'32.9"N
LONG: 97°09'27.5"W
LAT: 36.625798549° N
LONG: 97.157625199° W
STATE PLANE
COORDINATES: (US Feet)
ZONE: OK NORTH
X: 2247199
Y: 592891

Invoice # 219658 Date of Drawing: Apr. 18, 2014
Date Staked: Apr. 17, 2014 AD

CERTIFICATE:
I, Thomas L. Howell a Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.
Thomas L. Howell
Oklahoma Reg. No. 1433

