

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

API NUMBER: 087 22008

Approval Date: 09/11/2014
Expiration Date: 03/11/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 5N Rge: 2E County: MCCLAIN
SPOT LOCATION: SW NE SW NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 1865 922

Lease Name: WELCH Well No: 1-22 Well will be 398 feet from nearest unit or lease boundary.

Operator Name: RANKEN ENERGY CORPORATION Telephone: 4053402363 OTC/OCC Number: 17205 0

RANKEN ENERGY CORPORATION
457 W 18TH ST
EDMOND, OK 73013-3663

GARY WELCH
P.O. BOX 10
NORMAN NC 28367

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

Name	Depth	Name	Depth
1 PENN BASAL UNCONF SAND	4310	6 2ND BROMIDE	5170
2 WOODFORD	4319	7 OIL CREEK	5720
3 HUNTON	4384	8 ARBUCKLE	5827
4 VIOLA	4650	9	
5 1ST BROMIDE	5040	10	

Spacing Orders: 626240
148464

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 6300 Ground Elevation: 1003 **Surface Casing: 150** Depth to base of Treatable Water-Bearing FM: 100

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: 1A
Liner required for Category: 1A
Pit Location is ALLUVIAL
Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

- A. Evaporation/dewater and backfilling of reserve pit.
- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28201
- H. 20-MIL PIT LINER REQUIRED

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	9/3/2014 - G76 - 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 - 148464	9/5/2014 - G75 - (80/40) W2 22-5N-2E SU NE/SW EST (40) OTHER EST (80) HNTN, VIOL, BRMD1, BRMD2, OLCK, OTHERS
SPACING - 626240	9/5/2014 - G75 - (80/40) NW4 22-5N-2E SU NE/SW VAC 24737 BPSLV NW4 VAC OTHER EXT (40) OTHER EXT (80) OTHERS EXT (80) 613207 BPUNC, WDFD, ABCK, OTHERS

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