

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

API NUMBER: 147 28151

Approval Date: 11/12/2014
Expiration Date: 05/12/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 26N Rge: 12E County: WASHINGTON
SPOT LOCATION: SE SE SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 215 195

Lease Name: MOUNTAIN Well No: 26-1 Well will be 195 feet from nearest unit or lease boundary.
Operator Name: PERFORMANCE OPERATING COMPANY LLC Telephone: 9188472531 OTC/OCC Number: 22659 0

PERFORMANCE OPERATING COMPANY LLC
PO BOX 628
BARNSDALL, OK 74002-0628

PERFORMANCE PETROLEUM COMPANY
P.O. BOX 628
BARNSDALL OK 74002

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

	Name	Depth	Name	Depth
1	BIG LIME	925	6	
2	PERU	1025	7	
3	OSWEGO	1145	8	
4	BARTLESVILLE	1545	9	
5	MISSISSIPPI	1755	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 1800 Ground Elevation: 891 **Surface Casing: 0** Depth to base of Treatable Water-Bearing FM: 160

Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.

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

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: AIR

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: 4

Liner not required for Category: 4

Pit Location is BED AQUIFER
Pit Location Formation: TORPEDO

Mud System Change to Water-Based or Oil-Based Mud Requires an Amended Intent (Form 1000).

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. CBL REQUIRED

Notes:

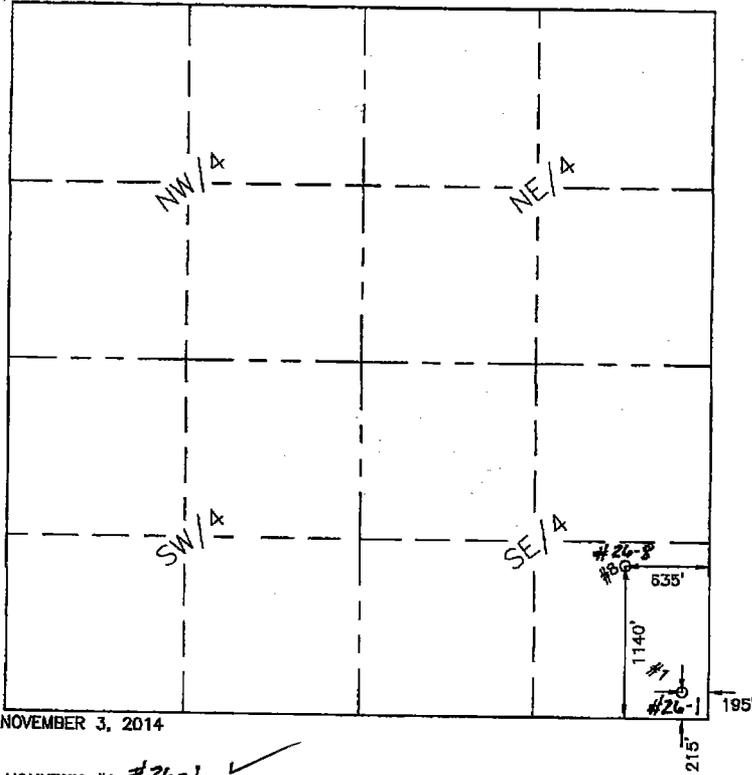
This permit does not address the right of entry or settlement of surface damages.
The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.
Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

Category	Description
ALTERNATE CASING	11/6/2014 - G71 - APPROVED; COPY OF CBL NEEDS TO BE SUBMITTED TO OCC TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED PER OCC 165:10-3-4(D)(4) (C)
FRAC FOCUS	11/5/2014 - 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	11/12/2014 - G75 - FORMATIONS UNSPACED; 40-ACRE LEASE (SE4 SE4)

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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.

API 147-28151

SECTION 26, TOWNSHIP 26 NORTH, RANGE 12 EAST
WASHINGTON COUNTY, OKLAHOMA.
(THIS DOES NOT CONSTITUTE A BOUNDARY SURVEY)



DATED: NOVEMBER 3, 2014

MOUNTAIN #1: #26-1 ✓
 215 FEET FROM THE SOUTH LINE AND 195 FEET FROM THE EAST LINE
 OF THE SE/4 OF SECTION 26, T26N, R12E, WASHINGTON COUNTY, OKLAHOMA.
 ELEVATION = 891'
 LATITUDE = 36°41'58.6"
 LONGITUDE = 95°59'24.3"

MOUNTAIN #8: #26-8
 1140 FEET FROM THE SOUTH LINE AND 635 FEET FROM THE EAST LINE
 OF THE SE/4 OF SECTION 26, T26N, R12E, WASHINGTON COUNTY, OKLAHOMA.
 ELEVATION = 877'
 LATITUDE = 36°42'07.8"
 LONGITUDE = 95°59'29.7"

SCALE: 1" = 1000'

CERTIFICATE OF AUTHORIZATION NO. 2434 EXPIRES 6/30/16

BUCKLAND SURVEYING COMPANY, INC.
 LAND SURVEYING SERVICES

1662 S.E. WASHINGTON BLVD. BARTLESVILLE, OKLAHOMA 74006 (918) 385-5071