

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

API NUMBER: 087 21965 B

Approval Date: 08/30/2013  
Expiration Date: 02/28/2014

Straight Hole Oil & Gas

Amend reason: ADD/DELETE FORMATIONS; CHANGE OPERATOR

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 07 Twp: 5N Rge: 1W County: MCCLAIN  
SPOT LOCATION:  SW  NE  SW  NE FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 988 843

Lease Name: GATEWAY Well No: 1-7 Well will be 332 feet from nearest unit or lease boundary.  
Operator Name: CHARTER OAK PRODUCTION CO LLC Telephone: 4052860361 OTC/OCC Number: 21672 0

CHARTER OAK PRODUCTION CO LLC  
13929 QUAIL POINTE DR  
OKLAHOMA CITY, OK 73134-1037

CONT. GATEWAY AUTHORITY C/O BENNY MCGOWEN  
2322 WESTPARK DR.  
NORMAN OK 73069

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

Name	Depth	Name	Depth
1 DEESE 3	6185	6 SYLVAN	7315
2 DEESE 4	6205	7 VIOLA	7470
3 PENN BASAL UNCONF SAND	6750	8 1ST BROMIDE	7900
4 WOODFORD	6896	9 2ND BROMIDE	7990
5 HUNTON	7050	10 OIL CREEK	8850

Spacing Orders: 615300 Location Exception Orders: Increased Density Orders:  
Pending CD Numbers: Special Orders:

Total Depth: 9150 Ground Elevation: 1108 **Surface Casing: 180** Depth to base of Treatable Water-Bearing FM: 130

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: 1B  
Liner required for Category: 1B  
Pit Location is AP/TE DEPOSIT  
Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:  
A. Evaporation/dewater and backfilling of reserve pit.  
D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-24250  
H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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	9/29/2014 - 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 <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
SPACING - 615300	11/24/2014 - G76 - (80) NE4 7-5N-1W LD NE/SW VAC 123864/124101 VIOL, BRMD, OLCK, DEESS, HNTN, OTHERS NE4 EST DEES3, DEES4, BPUNC, WDFD, HNTN, SLVN, VIOL, BRMD1, BRMD2, OLCK, OTHERS

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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.