

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

API NUMBER: 075 22001

Approval Date: 11/24/2014
Expiration Date: 05/24/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 6N Rge: 16W County: KIOWA
SPOT LOCATION: SE NW SE SE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 850 1950

Lease Name: FUCHS Well No: WDW 3 Well will be 690 feet from nearest unit or lease boundary.
Operator Name: NEOSHO OPERATING SERVICES LLC Telephone: 4174511645 OTC/OCC Number: 22958 0

NEOSHO OPERATING SERVICES LLC
PO BOX 179
NEOSHO, MO 64850-0179

B LESTER
100 N BAILEY
HOBART OK 73651

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

| | Name | Depth | Name | Depth |
|---|--------|-------|------|-------|
| 1 | ATOKAN | 330 | 6 | |
| 2 | HUNTON | 525 | 7 | |
| 3 | | | 8 | |
| 4 | | | 9 | |
| 5 | | | 10 | |

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 550 Ground Elevation: 678 **Surface Casing: 0** Depth to base of Treatable Water-Bearing FM: 40

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 not located in a Hydrologically Sensitive Area.

Category of Pit: 4

Liner not required for Category: 4

Pit Location is NON HSA

Pit Location Formation: HENNESSEY

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 | 11/24/2014 - G76 - APPROVED - COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C) |
| FRAC FOCUS | 11/24/2014 - 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 | 11/24/2014 - G76 - FORMATIONS UNSPACED; 160-ACRE LEASE (SE4) |

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.

APL 075-22001

NOTIFY DISTRICT OFFICE 24 HOURS PRIOR TO CEMENTING SURFACE CASING.

25.2. PIT INFORMATION:

- A. TYPE OF MUD SYSTEM: WATER BASED OIL BASED GAS BASED (AIR DRILL)
- B. EXPECTED MUD CHLORIDE CONTENT: maximum: _____ ppm; average: _____ ppm.
- PIT #2 C. TYPE OF PIT SYSTEM: on-site off-site closed If off-site, specify location: _____
- D. IS DEPTH TO TOP OF GROUND WATER GREATER THAN 10 FT BELOW BASE OF PIT? Y N
- E. WITHIN 1 MILE OF MUNICIPAL WATER WELL? Y N
- F. WELLHEAD PROTECTION AREA? Y N

Off-Site Pit No. _____

26.2 OCC USE ONLY

A. CATEGORY 1A 1B 2 3 4 C Fm: _____

B. PIT LOCATION: Alluvial Plain Terrace Deposit Bedrock Aquifer Other H.S.A. Non-H.S.A.

C. Special area or field rule? _____

F. SOIL COMPACTED LINER REQUIRED? Y N G. 20 mil GEOMEMBRANE LINER REQUIRED Y N

29 Bottom Hole Location SEC _____ TWP _____ RGE _____ COUNTY _____

SPOT LOCATION: 1/4 _____ 1/4 _____ 1/4 _____ 1/4 _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE SECTION LINES: _____

Measured Total Depth _____ True Vertical Depth _____ BHL from nearest Lease, Unit, Or Property Line: _____

30. Bottom Hole Location for Horizontal Hole: (LATERALS)

LATERAL #1: SEC _____ TWP _____ RGE _____ COUNTY _____

SPOT LOCATION: 1/4 _____ 1/4 _____ 1/4 _____ 1/4 _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE SECTION LINES: _____

Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____

Measured Total Depth _____ True Vertical Depth _____ End Point location from nearest lease, unit or property line: _____

LATERAL #2: SEC _____ TWP _____ RGE _____ COUNTY _____

SPOT LOCATION: 1/4 _____ 1/4 _____ 1/4 _____ 1/4 _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE SECTION LINES: _____

Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____

Measured Total Depth _____ True Vertical Depth _____ End Point location from nearest lease, unit or property line: _____

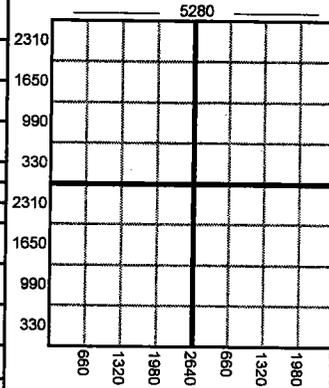
LATERAL #3: SEC _____ TWP _____ RGE _____ COUNTY _____

SPOT LOCATION: 1/4 _____ 1/4 _____ 1/4 _____ 1/4 _____ FEET FROM QUARTER from SOUTH LINE from WEST LINE SECTION LINES: _____

Depth of Deviation _____ Radius of Turn _____ Direction _____ Total Length _____

Measured Total Depth _____ True Vertical Depth _____ End Point location from nearest lease, unit or property line: _____

28. Locate Bottom Hole



1. If more than two drainholes are proposed, attach separate sheet indicating the necessary information.
2. Direction must be stated in degrees azimuth.
3. Please note the horizontal drainhole and its end point must be located within the legal boundaries of the lease or spacing unit. Directional surveys are required for all drainholes and directional wells.

31. AFFIDAVIT FOR ALTERNATIVE CASING PROGRAM

(Signature on front of this form attests to this affidavit)

1. This well WILL WILL NOT penetrate any known lost circulation zones.
2. During the drilling of this well, withdrawals from any water well within 1/4 mile WILL WILL NOT exceed 50 gallons per minute.
3. The projected depth of the well _____ IS IS NOT less than 100 feet from the top of any enhanced recovery project or gas storage facility.
4. List the following for all water wells within 1/4 mile of this well. (Information concerning some water wells may be obtained from the OKLAHOMA WATER RESOURCES BOARD, 3800 N. Classen Blvd., Oklahoma City, OK 73118). IF NO WATER WELLS FOUND, SO STATE. (ATTACH ADDITIONAL SHEET IF NECESSARY)

| Name of Owner/Operator | Address of Owner/Operator | Location (Nearest 1/4 1/4 1/4 1/4) | Depth of Well |
|------------------------|---------------------------|------------------------------------|---------------|
| None | | | |
| | | | |
| | | | |

5. A cement bond log is required to be run and submitted from not less than 100 feet below the base of the treatable water-bearing formation to the surface. **OCC USE ONLY**
6. If casing depth is more than 250 feet deeper than base of the treatable water-bearing formation, operator must submit a letter of request listing reasons and precautions to be taken.

INTENT TO DRILL CHECKLIST

APPROVED _____ REJECTED _____

OCC USE ONLY

OCC USE ONLY

1. SURETY
 - A. NONE filed.
 - B. EXPIRED: Date 1-25-15
 - C. OUTSTANDING CONTEMPT ORDER.

4. GEOLOGY

DO NOT WRITE INSIDE THIS BOX

RECEIPT 150364012
 Date: 11/20/2014 Time: 14:07
 Case: 000000000 Cashier: CSN
 Payor: NEOSHO OPERATING
 Check: 10179 \$500.00
 45 Emerg Walk Thru ITD

OKLA CORP COMM