

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

API NUMBER: 137 27382

Approval Date: 12/02/2014
Expiration Date: 06/02/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 2S Rge: 4W

County: STEPHENS

SPOT LOCATION: SW SW SE SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 165 1485

Lease Name: LAWRENCE

Well No: 3-18

Well will be 165 feet from nearest unit or lease boundary.

Operator Name: HOGBACK EXPLORATION INC

Telephone: 4797099014

OTC/OCC Number: 21161 0

HOGBACK EXPLORATION INC
PO BOX 180368
FORT SMITH, AR 72918-0368

H.D. LAWRENCE
P.O. BOX 4
LOCO OK 73442

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

	Name	Depth	Name	Depth
1	DEESE	1400	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: 25529

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2800

Ground Elevation: 969

Surface Casing: 220

Depth to base of Treatable Water-Bearing FM: 120

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: 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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: WELLINGTON

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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.

137 27382 LAWRENCE 3-18

Category	Description
FRAC FOCUS	12/2/2014 - 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 - 25529	12/2/2014 - G76 - (10) W2 18-2S-4W EST DEESS

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