

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

API NUMBER: 147 28153

Approval Date: 12/10/2014
Expiration Date: 06/10/2015

Straight Hole Disposal

PERMIT TO DRILL

WELL LOCATION: Sec: 26 Twp: 26N Rge: 12E County: WASHINGTON
SPOT LOCATION: N2 S2 SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 580 660

Lease Name: MOUNTAIN Well No: 26-5 Well will be 530 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 CO.
P.O. BOX 628
BARNSDALL OK 74002

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

Name	Depth	Name	Depth
1 BIG LIME	943	6 MISSISSIPPI CHAT	1743
2 OSWEGO	1142	7 MISSISSIPPI LIME	1763
3 PRUE	1256	8 WOODFORD	1963
4 RED FORK	1514	9 ARBUCKLE	2000
5 BARTLESVILLE	1546	10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 2000 Ground Elevation: 892 **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 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: 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	12/1/2014 - G71 - 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)
SPACING	12/1/2014 - G71 - N/A - DISPOSAL WELL

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.

147 28153 MOUNTAIN 26-5