

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

API NUMBER: 047 24899 A

Approval Date: 07/24/2014
Expiration Date: 01/24/2015

Straight Hole Oil & Gas

Amend reason: ADD FORMATIONS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 20N Rge: 4W County: GARFIELD
SPOT LOCATION: C NE SW NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 990 990

Lease Name: GRACIE Well No: 1-1 Well will be 990 feet from nearest unit or lease boundary.
Operator Name: BLAIK R E INC Telephone: 4052858000 OTC/OCC Number: 16832 0

BLAIK R E INC
1616 E 19TH ST STE 201
EDMOND, OK 73013-6675

CLARENCE W & GRACE E MCKEE, TRUSTEES
10396 SOUTH 94TH EAST AVENUE
TULSA OK 74133

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

	Name	Depth	Name	Depth
1	LAYTON	4870	6	
2	OSWEGO	5215	7	
3	SYLVAN	6050	8	
4			9	
5			10	

Spacing Orders: 526833 Location Exception Orders: 632330 Increased Density Orders: 625707

Pending CD Numbers: Special Orders:

Total Depth: 6300 Ground Elevation: 1078 **Surface Casing: 344** Depth to base of Treatable Water-Bearing FM: 270

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: GARBER

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.

047 24899 GRACIE 1-1

Category	Description
FRAC FOCUS	1/12/2015 - 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
INCREASED DENSITY - 625707	1/12/2015 - G91 - N2 1-20N-4W X526833 OSWG 1 WELL R.E. BLAIK, INC. 5-20-2014
LOCATION EXCEPTION - 632330	1/12/2015 - G91 - N2 1-20N-4W X526833 LYTN, OSWG, OTHERS 990 FSL, 1650 FEL R.E. BLAIK, INC. 10-29-2014
SPACING	1/12/2015 - G91 - SYLVAN FORMATION UNSPACED; 320-ACRE LEASE (N2)
SPACING - 526833	1/12/2015 - G91 - (320) N2 1-20N-4W NW4 VAC 262671 LYNTL, OSWG, OTHERS EST OTHERS EXT 516717 LYTN, OSWG, OTHERS

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