

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

API NUMBER: 093 25004

Approval Date: 03/04/2015  
Expiration Date: 09/04/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 20 Twp: 21N Rge: 10W County: MAJOR  
SPOT LOCATION:     FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 2310 330

Lease Name: CRAIG Well No: 5 Well will be 330 feet from nearest unit or lease boundary.  
Operator Name: SUPERIOR OIL & GAS LLC Telephone: 5805545515 OTC/OCC Number: 20891 0

SUPERIOR OIL & GAS LLC  
42516 HIGHWAY 412  
RINGWOOD, OK 73768-9717

CRAIG DEYOUNG  
13601 CEDAR BEND DR.  
JONES OK 73049

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

|   | Name    | Depth | Name | Depth |
|---|---------|-------|------|-------|
| 1 | OSWEGO  | 6360  | 6    |       |
| 2 | INOLA   | 6780  | 7    |       |
| 3 | MANNING | 6900  | 8    |       |
| 4 |         |       | 9    |       |
| 5 |         |       | 10   |       |

Spacing Orders: 634886

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 7140

Ground Elevation: 1170

**Surface Casing: 475**

Depth to base of Treatable Water-Bearing FM: 400

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 45000 Average: 5000

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: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 15-29619

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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.

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| Category         | Description   |
|------------------|---|
| FRAC FOCUS       | 3/2/2015 - G71 - 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 - 634886 | 3/4/2015 - G75 - (40) NE4 20-21N-10W<br>VAC 54977/55297 MNNG NE4<br>VAC 259177 OSWG NE4<br>VAC 532364 INOL NE4<br>EXT 24066 MNNG<br>EST OSWG, INOL  |

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