

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

API NUMBER: 137 27086 A

Approval Date: 03/24/2015
Expiration Date: 09/24/2015

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 15 Twp: 3S Rge: 5W County: STEPHENS
SPOT LOCATION: SE NE NE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2160 2454

Lease Name: HIGHTOWER Well No: 7 Well will be 180 feet from nearest unit or lease boundary.
Operator Name: KODIAK OIL & GAS INC Telephone: 9407594001 OTC/OCC Number: 23226 0

KODIAK OIL & GAS INC
204 N WALNUT ST
MUNSTER, TX 76252-2766

MEL WALTERSCHEID
204 N. WALNUT ST
MUNSTER TX 76252

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

	Name	Depth	Name	Depth
1	PERMIAN	200	6	
2	LOCO	900	7	
3	PATTY	1200	8	
4			9	
5			10	

Spacing Orders: 625015

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201500864

Special Orders:

Total Depth: 1500 Ground Elevation: 920 **Surface Casing: 0** Depth to base of Treatable Water-Bearing FM: 80

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: 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.

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	3/24/2015 - G71 - APPROVED CONTINGENT ON (1) MUDDING UP PRIOR TO TD TO PROTECT SHALLOW SANDS & (2) 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	3/24/2015 - 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 HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
PENDING CD - 201500864	3/23/2015 - G75 - NE4 NE4 SW4 15-3S-5W X625015 PRMN, LOCO, PTTY 3 WELLS NO OP. NAMED HEARING 3-24-2015
SPACING - 625015	3/24/2015 - G91 - (10) NE4 NE4 SW4 15-3S-5W EST PRMN, LOCO, PTTY

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137 27086 HIGHTOWER 7