

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

API NUMBER: 037 29358

Approval Date: 12/09/2016
Expiration Date: 06/09/2017

Straight Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 17N Rge: 7E County: CREEK
SPOT LOCATION: C NE NW NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2310 990

Lease Name: RICHARDS Well No: 5 Well will be 330 feet from nearest unit or lease boundary.
Operator Name: KOBY OIL COMPANY LLC Telephone: 4052363551 OTC/OCC Number: 20976 0

KOBY OIL COMPANY LLC
PO BOX 1945
OKLAHOMA CITY, OK 73101-1945

CURTIS RICHARDS ENERGY MANAGEMENT LLC
PO BOX 471705
TULSA OK 74147

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

Name	Depth	Name	Depth
1 LAYTON	1430	6 RED FORK	2480
2 JONES /SD/	1730	7 BARTLESVILLE	2555
3 OSWEGO	2165	8 1ST WILCOX	2705
4 PRUE	2260	9 TYNER	2800
5 SKINNER	2350	10 ARBUCKLE	3050

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 3150 Ground Elevation: 880 **Surface Casing: 850** Depth to base of Treatable Water-Bearing FM: 660

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: 2500 Average: 1500

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: VAMOOSA

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.

Category	Description
HYDRAULIC FRACTURING	12/5/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE.
SPACING	12/8/2016 - G60 - FORMATIONS UNSPACED; 10-ACRE LEASE
SURFACE CASING	12/5/2016 - G71 - MIN. 760' PER ORDER 70256

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