

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

API NUMBER: 051 23653 A

Approval Date: 11/20/2012  
Expiration Date: 05/20/2013

Horizontal Hole Oil & Gas

Amend reason: AMEND SPOT LOCATION ON SHL & BHL

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 4N Rge: 5W

County: GRADY

SPOT LOCATION:  SE  SW  SW  SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 275 530

Lease Name: BURKES

Well No: 1-23H

Well will be 275 feet from nearest unit or lease boundary.

Operator Name: MARATHON OIL COMPANY

Telephone: 7132961948; 4057205

OTC/OCC Number: 1363 0

MARATHON OIL COMPANY  
P.O. Box 3128  
HOUSTON, TX 77253-3128

ROBERT LEE & DEBORAH BURKES  
804 NW 7TH  
LINDSEY OK 73052

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

Name	Depth	Name	Depth
1 WOODFORD	14325	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 595536

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 19265

Ground Elevation: 1133

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 450

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: 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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: DUNCAN

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 12-19994

H. SEE MEMO

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.

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 200000

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 BED AQUIFER

Pit Location Formation: DUNCAN

HORIZONTAL HOLE 1

Sec 23 Twp 4N Rge 5W County GRADY

Spot Location of End Point: N2 NW NW NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 13968

Radius of Turn: 389

Direction: 358

Total Length: 4686

Measured Total Depth: 19265

True Vertical Depth: 14357

End Point Location from Lease,  
Unit, or Property Line: 50

Notes:

Category

Description

DEEP SURFACE CASING

11/19/2012 - G71 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

MEMO

11/19/2012 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 595536

11/27/2012 - G30 - (640 HOR) 23-4N-5W  
EST WDFD  
(NCT 165 FNL OR FSL; NCT 330 FEL OR FWL)

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