

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

API NUMBER: 083 24045

Approval Date: 11/29/2012  
Expiration Date: 05/29/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 04 Twp: 18N Rge: 2W County: LOGAN  
SPOT LOCATION:  SE  SW  SW  SW FEET FROM QUARTER: FROM SOUTH FROM WEST  
SECTION LINES: 260 500

Lease Name: C. MATTHEWS Well No: 9-08N-2W 1 WH Well will be 260 feet from nearest unit or lease boundary.  
Operator Name: DEVON ENERGY PRODUCTION CO LP Telephone: 4052353611 OTC/OCC Number: 20751 0

DEVON ENERGY PRODUCTION CO LP  
333 W SHERIDIAN AVE DEC 34.428  
OKLAHOMA CITY, OK 73102-5010

SOUTH 54 FARM, LLC  
PO BOX 18637  
OKLAHOMA CITY OK 73154

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	5361	6	
2	WOODFORD	5659	7	
3	SYLVAN	5739	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201205227  
201205228

Special Orders:

Total Depth: 10909 Ground Elevation: 1014 **Surface Casing: 500** Depth to base of Treatable Water-Bearing FM: 200

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.
- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 12-21899
- H. CONCRETE LINED PITS PER OPERATOR REQUEST

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.

HORIZONTAL HOLE 1

Sec 09 Twp 18N Rge 2W County LOGAN

Spot Location of End Point: SE SW SW SW

Feet From: SOUTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 360

Depth of Deviation: 4983

Radius of Turn: 716

Direction: 182

Total Length: 4813

Measured Total Depth: 10909

True Vertical Depth: 5783

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

Additional Surface Owner	Address	City, State, Zip
JERRY PFEIFFER	25497 N. PINE	ORLANDO, OK 73073

Notes:

Category	Description
DEEP SURFACE CASING	11/28/2012 - 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
PENDING CD - 201205227	11/29/2012 - G30 - (640 HOR) 9-18N-2W EST MSSP, WDFD, SLVN, OTHER (SUPERSEDE 143110 MISS) REC 10/22/12 (M.PORTER)
PENDING CD - 201205228	11/29/2012 - G30 - 9-18N-2W X201205227 MSSP, WDFD, SLVN, OTHER POE NCT 0 FNL, NCT 330 FWL OR FEL 1ST PERF NCT 150 FNL, NCT 330 FWL OR FEL LAST PERF NCT 150 FSL, NCT 330 FWL OR FEL BHL NCT 0 FSL, NCT 330 FWL OR FEL NO OP. NAMED REC 10/22/12 (M.PORTER)

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