

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

API NUMBER: 083 24054

Approval Date: 12/18/2012
Expiration Date: 06/18/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 32 Twp: 17N Rge: 3W

County: LOGAN

SPOT LOCATION: N2 N2 NE NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 250 660

Lease Name: TONTZ

Well No: 1-32H

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: STEPHENS PRODUCTION CO

Telephone: 4797834191

OTC/OCC Number: 23030 0

STEPHENS PRODUCTION CO
PO BOX 2407
FORT SMITH, AR 72902-2407

RUTH MCGUIRE
12305 WINDSONG WAY
OKC OK 73120

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

Name	Depth	Name	Depth
1	MISSISSIPPI	5759	6
2			7
3			8
4			9
5			10

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201204706
201203751
201204704

Special Orders:

Total Depth: 10290

Ground Elevation: 996

Surface Casing: 490

Depth to base of Treatable Water-Bearing FM: 240

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: 1B

Liner required for Category: 1B

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 12-22091

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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 32 Twp 17N Rge 3W County LOGAN

Spot Location of End Point: C S2 SE SE

Feet From: SOUTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 5300

Radius of Turn: 560

Direction: 180

Total Length: 4670

Measured Total Depth: 10290

True Vertical Depth: 5850

End Point Location from Lease,
Unit, or Property Line: 330

Notes:

Category	Description
PENDING CD - 201203751	12/10/2012 - G30 - (320) 32-17N-3W (640 HOR) EST MSSP, OTHER (320) EXT 458455 OTHERS REC 12/5/12 (LEAVITT)
PENDING CD - 201204704	12/10/2012 - G30 - 32-17N-3W X201203751 MSSP, OTHER X OTHERS SHL NCT 100 FSL, NCT 330 FEL** COMP. INT. NCT 330 FSL, NCT 330 FNL, NCT 330 FEL NO OP. NAMED REC 12/5/12 (LEAVITT)
	**SHL TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER ATTORNEY FOR OPERATOR
PENDING CD - 201204706	12/10/2012 - G30 - 32-17N-3W X165:10-3-28(C)(2)(B) CLOSER THAN 600' FROM AN EXISTIN WELL (INTERGY VIVIAN TONTZ 1-32; API 083-00513) NO OP. NAMED REC 12/5/12 (LEAVITT)

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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.