

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

API NUMBER: 083 24058

Approval Date: 01/16/2013  
Expiration Date: 07/16/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 17N Rge: 3W

County: LOGAN

SPOT LOCATION:  SW  SE  SE  SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 190 360

Lease Name: PINTAIL

Well No: 1-21H

Well will be 190 feet from nearest unit or lease boundary.

Operator Name: SLAWSON EXPLORATION CO INC

Telephone: 4052320201

OTC/OCC Number: 17313 0

SLAWSON EXPLORATION CO INC  
204 N ROBINSON AVE STE 2300  
OKLAHOMA CITY, OK 73102-6891

RICHARD & MARGARET FORD  
2009 NW 16TH STREET  
RENTON WA 98056

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	5700	6	
2	WOODFORD	6200	7	
3			8	
4			9	
5			10	

Spacing Orders: 605847

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201207401

Special Orders:

Total Depth: 10800

Ground Elevation: 1090

**Surface Casing: 420**

Depth to base of Treatable Water-Bearing FM: 370

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: GARBER

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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 21 Twp 17N Rge 3W County LOGAN

Spot Location of End Point: NE NW NE NE

Feet From: NORTH 1/4 Section Line: 200

Feet From: EAST 1/4 Section Line: 680

Depth of Deviation: 5100

Radius of Turn: 1100

Direction: 360

Total Length: 3972

Measured Total Depth: 10800

True Vertical Depth: 6200

End Point Location from Lease,  
Unit, or Property Line: 200

Notes:

Category	Description
PENDING CD - 201207401	1/16/2013 - G30 - 21-17N-3W X201207251 MSSP, WDFD, OTHER SHL 200 FSL, 300 FEL POE NCT 200 FSL, NCT 660 FEL BHL NCT 200 FNL, NCT 660 FEL NO OP. NAMED REC 12/3/12 (PETERSON)
SPACING - 605847	1/16/2013 - G30 - (640 HOR) 21-17N-3W DEL MSSLM, OTHER DEL 244070 MSSLM, OTHER EXT 603529 MSSP, WDFD, OTHER (MSSP: NCT 660 FB) (WDFD: NCT 330 FB)

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.

OKLAHOMA

# Corporation Commission

101 S. 6<sup>th</sup>/P.O. Box 1107  
Kingfisher, OK 73750-1107

Telephone: (405)375-5570  
FAX: (405)375-5576

OIL & GAS CONSERVATION DIVISION



Tony Cupp, Manager

30 Jan 13

Slawson Exploration Co.  
Attn: J. O'Dowd, Area Engineer  
204 N. Robinson Ave, Ste. 2300  
Oklahoma City, Ok 73102-6891

RE: **Exception to Rule 165:10-7-16. Use of noncommercial pits.** (d) Operation & Maintenance requirements, (2) Reserve/circulation pits. **Limit pit contents to 1 well.**  
Pit location: **PINTAIL 1-28H, Se, Se, Se, Se 21-17N-3W, Logan County**  
**Second well: PINTIAL 1-21H, Se, Se, Se, Se 21-17N-3W, Logan County**

Mr. O'Dowd:

I am in receipt of the request for an Exception to Rule 165:10-7-16. Use of Noncommercial Pits. Para (d) Operation and maintenance requirements. Sub-Para (2) Reserve/circulation pits provide as follows: **"The operator of any reserve/circulation pit shall limit its contents to the fluids and cuttings from a single well, unless authorized by the District Manager"**.

I am **approving the exception** for the two referenced wells, for the **"water based"** fluids and cuttings (**only**) from such wells to be placed in the **single Category 2 pit at the initial well**, with the following stipulations. All other pit requirements appearing in Commission rules, to include any **liner requirements**, that may be applicable, shall be followed and conformed to for a Category 2 pit, water based only. The Intent to Drill, (for Pintail 1-28H) indicates a **CATEGORY 2**. The pit is located in an **HSA (hydrologically sensitive) area**. The GARBER AQUIFER. Any oil based drilling waste materials shall be placed in either 'GEO LINED' or steel half pits only or use a closed system. This material shall be disposed as specified in the rules.

The initial pit should be constructed large enough to contain the cuttings and fluids from the two wells. At all times **fluid level in the pit shall be maintained a minimum of 24 inches or more below the lowest point in the berm of wall**. All pits shall be constructed, operated, and maintained so as to prevent pollution. Pit shall be constructed and maintained so that runoff water shall not enter the pit. A pit that requires a liner, or constructed on a fill, shall be constructed so that the **maximum level of solid contents will be a minimum of 3 ft. below the natural ground level**. No pit should be built in a flood plain. (Operator is responsible to check for this.)

Slawson Expl. Co,  
Ltr. Pg 2  
Attn: J. O'Dowd

On closure of any pit, the operator shall give the Field Inspector a minimum of 48 hrs. notice prior to commencing closure. For all lined pits, **trenching, stirring, or other similar practice SHALL BE PROHIBITED.** No equipment shall be allowed in any lined pit. Extreme care shall be taken to preserve the integrity of any liner, (geomembrane or soil compacted) at all times.

All free fluids (liquids) shall be removed before chemically solidifying the remaining solids contents with non hazardous materials. There should be a minimum of "at least 3 foot" of soil cover over any remaining pit contents, with all the stockpiled topsoil being applied last. The area shall be configured to provide runoff, but prevent any erosion of the covered pit area.

If there are any questions, please contact me at this office. Thank you.

Tony Cupp  
District 2 Manager  
Kingfisher, Ok

XC: Larry Adams, Logan County Inspector  
Brad Ice, Logan County Supervisor  
Dennis Niskern, Manager- Document Handling, OCC, Oklahoma City, OK  
File