

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

API NUMBER: 073 24824

Approval Date: 03/04/2013  
Expiration Date: 09/04/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 11 Twp: 16N Rge: 5W

County: KINGFISHER

SPOT LOCATION:  SE  SE  SW  SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 240 1095

Lease Name: BOLLENBACH

Well No: 1-11H

Well will be 240 feet from nearest unit or lease boundary.

Operator Name: PAYNE EXPLORATION COMPANY

Telephone: 4058439419

OTC/OCC Number: 918 0

PAYNE EXPLORATION COMPANY  
7005 N ROBINSON AVE  
OKLAHOMA CITY, OK 73116-9044

MEL BOLLENBACH  
14736 N COUNCIL  
OKC OK 73142

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

Name	Depth	Name	Depth
1 HUNTON	7010	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 606818

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201301157

Special Orders:

Total Depth: 12000

Ground Elevation: 966

**Surface Casing: 450**

Depth to base of Treatable Water-Bearing FM: 270

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

**PIT 1 INFORMATION**

Approved Method for disposal of Drilling Fluids:

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-22766  
H. CLOSED SYSTEM=STEEL PITS REQUIRED - CIMARRON RIVER

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 11 Twp 16N Rge 5W County KINGFISHER

Spot Location of End Point: N2 N2 NW NW

Feet From: NORTH 1/4 Section Line: 200

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 6500

Radius of Turn: 725

Direction: 359

Total Length: 4850

Measured Total Depth: 12000

True Vertical Depth: 7220

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

Notes:

Category	Description
PENDING CD - 201301157	3/4/2013 - G30 - W2 11-16N-5W X606818 HNTN SHL NCT 200 FSL, NCT 760 FWL 1ST PERF NCT 200 FSL, NCT 660 FWL LAST PERF NCT 200 FNL, NCT 660 FWL NO OP. NAMED REC 2/26/13 (OSBURN)
SPACING - 606818	3/4/2013 - G30 - (320 HOR) W2 11-16N-5W EST HNTN, OTHERS POE TO BHL NCT 660' FB