

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

API NUMBER: 007 25603

Approval Date: 04/03/2013
Expiration Date: 10/03/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 1N Rge: 24ECM County: BEAVER

SPOT LOCATION: N2 N2 N2 NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 200 1320

Lease Name: TAYLOR Well No: 1-5H Well will be 200 feet from nearest unit or lease boundary.

Operator Name: UNIT PETROLEUM COMPANY Telephone: 9184937700 OTC/OCC Number: 16711 0

UNIT PETROLEUM COMPANY
P.O. Box 702500
TULSA, OK 74170-2500

LARRY C. TAYLOR
33748 US HWY 270
MUTUAL OK 73853

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

	Name	Depth	Name	Depth
1	DOUGLAS	5790	6	
2	LANSING-KANSAS CITY	6000	7	
3	MARMATON	6950	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201301483
201301481

Special Orders:

Total Depth: 11570 Ground Elevation: 2768 **Surface Casing: 1995** Depth to base of Treatable Water-Bearing FM: 520

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: Yes Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: WATER BASED
Chlorides Max: 20000 Average: 5000
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 BED AQUIFER

Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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

H. SEE MEMO

PERMIT NO: 13-22917

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 05 Twp 1N Rge 24E County BEAVER

Spot Location of End Point: C S2 S2 SE

Feet From: SOUTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 1320

Depth of Deviation: 5500

Radius of Turn: 740

Direction: 360

Total Length: 4500

Measured Total Depth: 11570

True Vertical Depth: 7043

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

Notes:

Category	Description
DEEP SURFACE CASING	4/2/2013 - 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	4/2/2013 - G71 - SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER, 20 MIL LINED GEOMEMBRANE TRENCH PIT FOR SOIL FARMING
PENDING CD - 201301481	4/3/2013 - G30 - (640 HOR) 5-1N-24ECM VAC 79069 MRMN EXT 604604 DGLS, LGKC, MRMN POE TO BHL: NLT 660 FB REC 3/26/13 (MCKEOWN)
PENDING CD - 201301483	4/3/2013 - G30 - 5-1N-24ECM X201301481 DGLS, LGKC, MRMN SHL NCT 150 FNL, NCT 660 FEL COMP. INT. NCT 330 FNL, NCT 330 FSL, NCT 660 FEL NO OP. NAMED REC 3/26/13 (MCKEOWN)

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