

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

API NUMBER: 083 24097

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

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 07 Twp: 19N Rge: 3W County: LOGAN  
SPOT LOCATION:  NE  SE  SE  SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 352 280

Lease Name: O'NEILL 7-19N-3W Well No: 1WH Well will be 280 feet from nearest unit or lease boundary.

Operator Name: DEVON ENERGY PRODUCTION CO LP Telephone: 4052353611; 4052353 OTC/OCC Number: 20751 0

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

JAMES B. O'NEILL II, SUCCESSOR TTEE OF JAMES O'NEILL  
PO BOX 942  
IRREVOC. TRUST DTD 1/2/95  
FORT COLLINS CO 80522

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	5521	6	
2	WOODFORD	5850	7	
3	MISENER-HUNTON	5900	8	
4	SYLVAN	5925	9	
5			10	

Spacing Orders: 607321 Location Exception Orders: 609182 Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 10659 Ground Elevation: 1051 **Surface Casing: 500** Depth to base of Treatable Water-Bearing FM: 130

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: 13-23057  
H. SEE MEMO

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.

PIT 2 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: OIL BASED
Chlorides Max: 300000 Average: 200000
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: 3
Liner required for Category: 3
Pit Location is BED AQUIFER
Pit Location Formation: GARBER

HORIZONTAL HOLE 1

Sec 07 Twp 19N Rge 3W County LOGAN
Spot Location of End Point: N2 N2 NE NE
Feet From: NORTH 1/4 Section Line: 50
Feet From: EAST 1/4 Section Line: 660
Depth of Deviation: 5165
Radius of Turn: 716
Direction: 356
Total Length: 4885
Measured Total Depth: 10659
True Vertical Depth: 5925
End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Table with 2 columns: Category, Description. Contains notes about DEEP SURFACE CASING, LOCATION EXCEPTION - 609182, MEMO, and SPACING - 607321.

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.