

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

API NUMBER: 007 25617

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

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 29 Twp: 1N Rge: 21ECM County: BEAVER

SPOT LOCATION: S2 S2 S2 SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 200 1320

Lease Name: SAGER Well No: 1-32H Well will be 200 feet from nearest unit or lease boundary.

Operator Name: UNIT PETROLEUM COMPANY Telephone: 9184937700; 9184937 OTC/OCC Number: 16711 0

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

NATHAN & MINDY SAGER
ROUTE 1, BOX 1
BALCO OK 73931

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

	Name	Depth	Name	Depth
1	DOUGLAS	5250	6	
2	LANSING-KANSAS CITY	5370	7	
3	MARMATON	6440	8	
4			9	
5			10	

Spacing Orders: 611419

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201303211

Special Orders:

Total Depth: 11190

Ground Elevation: 2940

Surface Casing: 1995

Depth to base of Treatable Water-Bearing FM: 420

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)

PERMIT NO: 13-23507

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.

HORIZONTAL HOLE 1

Sec 32 Twp 1N Rge 21E 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: 11190

True Vertical Depth: 6527

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

Notes:

Category	Description
DEEP SURFACE CASING	6/5/2013 - 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	6/5/2013 - G71 - SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER, 20 MIL LINED GEOMEMBRANE TRENCH PIT FOR SOIL FARMING
PENDING CD - 201303211	6/6/2013 - G30 - 32-1N-21ECM X201302117 DGLS, LGKC, MRMN SHL NCT 150 FSL, NCT 660 FEL 29-1N-21ECM COMP. INT. NCT 330 FNL, NCT 330 FSL, NCT 660 FEL 32-1N-21ECM NO OP. NAMED REC 6/3/13 (JOHNSON)
SPACING - 611419	6/6/2013 - G30 - (640 HOR) 32-1N-21ECM EXT 598385/603094 DGLS, LGKC, MRMN POE TO BHL: NLT 660' FB

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