

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

API NUMBER: 047 24827 B

Approval Date: 04/01/2014
Expiration Date: 10/01/2014

Horizontal Hole Oil & Gas

Amend reason: ADD FORMATIONS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 03 Twp: 20N Rge: 4W County: GARFIELD
SPOT LOCATION: NW NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 170 523

Lease Name: D. SMITH 34-21N-4W Well No: 1WH Well will be 170 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 SHERIDAN AVE DEC 34.428
OKLAHOMA CITY, OK 73102-5010

DUANE L. AND MELODY K. SMITH, H&W
27424 HWY 164
LUCIEN OK 73757

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	5700	6 VIOLA	6200
2 WOODFORD	6100	7	
3 MISENER	6140	8	
4 HUNTON	6145	9	
5 SYLVAN	6150	10	

Spacing Orders: 620389 Location Exception Orders: 620875 Increased Density Orders:
621846 622624

Pending CD Numbers: Special Orders:

Total Depth: 11359 Ground Elevation: 1089 **Surface Casing: 500** Depth to base of Treatable Water-Bearing FM: 220

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

PIT 1 INFORMATION

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 BED AQUIFER

Pit Location Formation: GARBER

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26686
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: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: GARBER

HORIZONTAL HOLE 1

Sec 34 Twp 21N Rge 4W County GARFIELD

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: 5771

Radius of Turn: 358

Direction: 357

Total Length: 5025

Measured Total Depth: 11359

True Vertical Depth: 6200

End Point Location from Lease,
Unit, or Property Line: 50

Notes:

Category

Description

DEEP SURFACE CASING

4/1/2014 - 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

LOCATION EXCEPTION - 620875

4/1/2014 - G30 - (I.O.) 34-21N-4W
X620389 MSSP, WDFD, SLVN
1ST PERF NCT 150 FSL, NCT 330 FEL
LAST PERF NCT 150 FNL, NCT 330 FEL
DEVON ENERGY PRODUCTION COMPANY, L.P.
1/27/14

LOCATION EXCEPTION - 622624

4/2/2014 - G30 - (I.O.) 34-21N-4W
X621846 MSRN, HNTN, VIOL
MSNR, HNTN: 1ST PERF NCT 150 FSL, NCT 330 FEL
LAST PERF NCT 150 FNL, NCT 330 FEL
VIOL: 1ST PERF NCT 330 FSL, NCT 330 FEL
LAST PERF NCT 330 FNL, NCT 330 FEL
DEVON ENERGY PRODUCTION COMPANY, L.P.
3/13/14

MEMO

4/1/2014 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 620389

4/1/2014 - G30 - (640 HOR) 34-21N-4W
EXT 604870 MSSP, WDFD, SLVN
POE TO BHL (MSSP) NCT 660' FB
POE TO BHL (WDFD, SLVN) NCT 330' FB
(SUPERCEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS; COEXIST WITH PRODUCING NON-HORIZONTAL SPACING UNITS)

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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.

047 24827 D. SMITH 34-21N-4W 1WH

Category

Description

SPACING - 621846

4/2/2014 - G30 - (640 HOR) 34-21N-4W
EST MSNR, HNTN, VIOL
POE TO BHL NCT 660' FB
(SUPERCEDE SP. 169569 MSNR, VIOL)

This permit does not address the right of entry or settlement of surface damages.
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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.