

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

API NUMBER: 045 23457

Approval Date: 04/02/2014
Expiration Date: 10/02/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 22 Twp: 18N Rge: 25W County: ELLIS
SPOT LOCATION: NE NW NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 315 760

Lease Name: DERYL Well No: 1H-22 Well will be 315 feet from nearest unit or lease boundary.
Operator Name: LE NORMAN OPERATING LLC Telephone: 4055481200 OTC/OCC Number: 22738 0

LE NORMAN OPERATING LLC
4727 GAILLARDIA PKWY STE 200
OKLAHOMA CITY, OK 73142-1881

P. DERYL PARKER
ROUTE 2, BOX 88
ARNETT OK 73832

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

Name	Depth	Name	Depth
1 CLEVELAND	9210	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 100886

Location Exception Orders: 623052

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14362

Ground Elevation: 2222

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 380

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: 35000 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: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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 22 Twp 18N Rge 25W County ELLIS

Spot Location of End Point: C S2 SE SE

Feet From: SOUTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 660

Depth of Deviation: 8657

Radius of Turn: 580

Direction: 179

Total Length: 4794

Measured Total Depth: 14362

True Vertical Depth: 9237

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

Notes:

Category	Description
DEEP SURFACE CASING	4/1/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
LOCATION EXCEPTION - 623052	4/2/2014 - G75 - (I.O.) 22-18N-25W X100886 CLVD, OTHERS SHL 315 FNL, 760 FEL FIRST PERF NCT 330 FNL, NCT 660 FEL LAST PERF NCT 330 FSL, NCT 660 FEL LE NORMAN OP. LLC 3-21-2014
SPACING - 100886	4/2/2014 - G75 - (640) ALL-18N-25W EXT OTHERS EXT 82943/88225 CLVD EST OTHERS

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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.