

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

API NUMBER: 045 23459

Approval Date: 04/08/2014

Expiration Date: 10/08/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 18N Rge: 24W

County: ELLIS

SPOT LOCATION:  NE  NW  NW  NW FEET FROM QUARTER: FROM NORTH FROM WEST

SECTION LINES: 300 400

Lease Name: JOHNSON

Well No: 1-28H

Well will be 300 feet from nearest unit or lease boundary.

Operator Name: PPP PETROLEUM LP

Telephone: 2142316832

OTC/OCC Number: 23356 0

PPP PETROLEUM LP  
2101 CEDAR SPRINGS RD STE 1800  
DALLAS , TX 75201-1585

JOHNSON FAMILY TRUST  
HCR 63, BOX 25  
ARNETT OK 73832

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

Name	Depth	Name	Depth
1 CLEVELAND	9360	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 588987

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201401386  
201401387

Special Orders:

Total Depth: 14732

Ground Elevation: 2344

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 580

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

**PIT 1 INFORMATION**

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 14000 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: C**

**Liner not required for Category: C**

Pit Location is BED AQUIFER

Pit Location Formation: CLOUD CHIEF

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-26661

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: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 28 Twp 18N Rge 24W County ELLIS

Spot Location of End Point: N2 NW NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 8602

Radius of Turn: 758

Direction: 359

Total Length: 4939

Measured Total Depth: 14732

True Vertical Depth: 9489

End Point Location from Lease,  
Unit, or Property Line: 165

Notes:

Category	Description
DEEP SURFACE CASING	4/2/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
MEMO	4/2/2014 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
PENDING CD - 201401386	4/8/2014 - G75 - (I.O.) 28-18N-24W X588987 CLVD XOTHER COMPL. INT. NCT 165 TO SL, NCT 165 TO NL, NCT 330 TO WL NO OP. NAMED REC 3-25-2014 (MCKEOWN)
PENDING CD - 201401387	4/8/2014 - G75 - 28-18N-24W X588987 CLVD XOTHER 1 WELL NO OP. NAMED REC 3-25-2014 (MCKEOWN)
SPACING - 588987	4/8/2014 - G75 - (640)(HOR) 28-18N-24W EXT 585689 CLVD, OTHERS EXT OTHER EST OTHER POE TO BHL NCT 660' FB (COEXIST SP. ORDER # 479562 CLVD)

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.