

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

API NUMBER: 045 23467

Approval Date: 04/24/2014
Expiration Date: 10/24/2014

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 20N Rge: 26W County: ELLIS
SPOT LOCATION: SE SE SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 282 279

Lease Name: STATE Well No: 1H-36 Well will be 282 feet from nearest unit or lease boundary.
Operator Name: LE NORMAN OPERATING LLC Telephone: 4055481200 OTC/OCC Number: 22738 0

LE NORMAN OPERATING LLC
4700 GAILLARDIA PKWY STE 200
OKLAHOMA CITY, OK 73142-1881

RICHARD E. SMALLEY
911 THISTLEWOOD DRIVE
NORMAN OK 73072

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

Name	Depth	Name	Depth
1 CLEVELAND	8600	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 131378

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201401111

Special Orders:

Total Depth: 14000

Ground Elevation: 2454

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 590

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 35000 Average: 1000

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.

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 36 Twp 20N Rge 26W 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: 8170

Radius of Turn: 580

Direction: 180

Total Length: 4628

Measured Total Depth: 14000

True Vertical Depth: 8750

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

Notes:

Category	Description
DEEP SURFACE CASING	4/22/2014 - 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
PENDING CD - 201401111	4/22/2014 - G72 - E. O. 36-20N-19W X 131378 CLVD, OTHERS; SHL 200 FSL 420 FSL (25-20N-26W); COMP INT. NCT 330 FNL NCT 330 FSL NCT 660 FEL; LENORMAN OPERATING LLC; EMERGENCY REC 4/15/2014(P PORTER) AMENDED APP AMENDS FOOTAGES TO ABOVE. HRG FOR AMENDED APP 5/5/2014
SPACING - 131378	4/22/2014 - G72 - 36-20N-26W (640) EXT 100596 & 105527 CLVD, OTHERS

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