

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

API NUMBER: 047 24844

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

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 24N Rge: 8W County: GARFIELD
SPOT LOCATION: NW NW NW NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 200 2440

Lease Name: CROUSE 2408 Well No: 2-1H Well will be 200 feet from nearest unit or lease boundary.

Operator Name: SANDRIDGE EXPLORATION & PRODUCTION LLC Telephone: 4054296169 OTC/OCC Number: 22281 0

SANDRIDGE EXPLORATION & PRODUCTION LLC
123 ROBERT S KERR AVE STE 1702
OKLAHOMA CITY, OK 73102-6406

DAN B. CROUSE
BOX 45
HILLSDALE OK 73743

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	5814	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 617429 Location Exception Orders: 623947 Increased Density Orders: 624019

Pending CD Numbers:

Special Orders:

Total Depth: 11281 Ground Elevation: 1170 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 210

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: 10000 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: SALT PLAINS

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-26909
H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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 01 Twp 24N Rge 8W County GARFIELD

Spot Location of End Point: S2 S2 SE SW

Feet From: SOUTH 1/4 Section Line: 200

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 5343

Radius of Turn: 890

Direction: 190

Total Length: 4540

Measured Total Depth: 11281

True Vertical Depth: 5920

End Point Location from Lease,
Unit, or Property Line: 200

Notes:

Category	Description
DEEP SURFACE CASING	4/16/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
INCREASED DENSITY - 624019	4/24/2014 - G75 - 1-24N-8W X617429 MSSP 3 WELLS SANDRIDGE EXPLOR. & PROD., L.L.C. 4-16-2014
LOCATION EXCEPTION - 623947	4/24/2014 - G75 - (I.O.) 1-24N-8W X617429 MSSP COMPL. INT. NCT 165 FNL, NCT 165 FSL, NCT 1680 FWL SANDRIDGE EXPLOR. & PROD., L.L.C. 4-15-2014
SPACING - 617429	4/24/2014 - G75 - (640)(HOR) 1-24N-8W EST MSSP, OTHER COMPL. INT. NLT 660' FB (SUPERSEDE SP. ORDER # 185091 MSSLM)

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