

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

API NUMBER: 087 21996

Approval Date: 05/02/2014

Expiration Date: 11/02/2014

Directional Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 8N Rge: 3W County: MCCLAIN
SPOT LOCATION: NW NE SE NW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1005 2160

Lease Name: REED Well No: 1-9 Well will be 480 feet from nearest unit or lease boundary.

Operator Name: OKLAND OIL COMPANY Telephone: 4052363046 OTC/OCC Number: 7910 0

OKLAND OIL COMPANY
110 N ROBINSON AVE STE 400
OKLAHOMA CITY, OK 73102-9022

BILL K. REED & DOROTHY A. REED 1985 TRUST
P.O. BOX 720385
NORMAN OK 73070

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

Name	Depth	Name	Depth
1 DEESE	8550	6 BROMIDE	11040
2 PENN BASAL UNCONF SAND	9546	7	
3 HUNTON	10135	8	
4 VIOLA	10600	9	
5 BROMIDE DOLO	10924	10	

Spacing Orders: 302489

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201402559

Special Orders:

Total Depth: 11330

Ground Elevation: 1130

Surface Casing: 600

Depth to base of Treatable Water-Bearing FM: 380

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: 5000 Average: 2500

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-26891

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

DIRECTIONAL HOLE 1

Sec 09 Twp 8N Rge 3W County MCCLAIN

Spot Location of End Point: SW SE SE NW

Feet From: SOUTH 1/4 Section Line: 140

Feet From: WEST 1/4 Section Line: 2000

Measured Total Depth: 11330

True Vertical Depth: 11200

End Point Location from Lease,

Unit, or Property Line: 140

Notes:

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.

Category	Description
FRAC FOCUS	4/16/2014 - G71 - THE REQUIREMENT FOR CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS WILL BE EXTENDED TO INCLUDE ALL NON-HORIZONTAL WELLS FOR HYDRAULIC FRACTURING OPERATIONS BEGINNING JANUARY 1, 2014. REFER TO OCC RULE 165:10-3-10 FOR COMPLIANCE REQUIREMENTS. PLEASE REPORT DIRECTLY TO FRACFOCUS USING THE FOLLOWING LINK HTTP://FRACFOCUS.ORG/ OR FOR OCC ASSISTANCE CONTACT DENNIS NISKERN AT 405-522-2977 OR D.NISKERN@OCCEMAIL.COM
PENDING CD - 201402559	5/2/2014 - G75 - (I.O.) E2 NW4 9-8N-3W X302489 DEESS, BPUNC, HNTN, VIOL, BRMDO, BRMD SHL 1005 FSL, 480 FEL POE NCT 140 FSL, NCT 640 FEL NO OP. NAMED REC 4-30-2014 (CANDLER)
SPACING - 302489	5/1/2014 - G75 - (80) N2 9-8N-3W SU NE/SW VAC 124293 DEESS, HNTN, VIOL, BRMD, OTHERS VAC OTHERS VAC 212455 OSWG, SKNR, RDFK, BRVL, BPUNC, BRMDO N2 EST DEESS, BPUNC, HNTN, VIOL, BRMDO, BRMD, OTHERS

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