

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

API NUMBER: 137 27322

Approval Date: 09/09/2014

Expiration Date: 03/09/2015

Straight Hole

Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 3S Rge: 5W

County: STEPHENS

SPOT LOCATION: ☐ SW ☐ NW ☐ SW ☐ NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 1815 2470

Lease Name: JOHNSON

Well No: J-74

Well will be 166 feet from nearest unit or lease boundary.

Operator Name: BANNER OIL & GAS LLC

Telephone: 4052850197

OTC/OCC Number: 22792 0

BANNER OIL & GAS LLC
PO BOX 13178
OKLAHOMA CITY, OK 73113-1178

RON SUTTON
BOX 1975
HC 64
LOCO OK 73442

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

	Name	Depth	Name	Depth
1	LOCO	800	6	
2			7	
3			8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 1200

Ground Elevation: 927

Surface Casing: 0

Depth to base of Treatable Water-Bearing FM: 70

Cement will be circulated from Total Depth to the Ground Surface on the Production Casing String.

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: 5000 Average: 3000

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: 1A

Liner required for Category: 1A

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. CBL REQUIRED

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
ALTERNATE CASING	9/9/2014 - G76 - APPROVED - COPY OF CBL NEEDS TO BE SUBMITTED TO THE TECHNICAL STAFF IMMEDIATELY. A COMPLETION ATTEMPT, IN CASES WHERE THE PROTECTION OF THE TREATABLE WATER IS QUESTIONABLE, IS STRICTLY PROHIBITED. RULE 165: 10-3-4 (D)(4)(C)
FRAC FOCUS	9/9/2014 - G76 - 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
PITS	9/9/2014 - G76 - 20-MIL PIT LINER REQUIRED
SPACING	9/9/2014 - G91 - FORMATION UNSPACED; 110-ACRE LEASE (E2 NE4 NW4, NW4 NE4, N2 SW4 NE4, W2 NE4 NE4, NW4 SE4 NE4)
SURFACE LOCATION	9/9/2014 - G91 - IRR. SEC.; SHL 1815' FNL, 2470' FEL, 825' FSL, 166' FWL PER SURVEY PLAT

		LEGEND △ CERTIFIED CORNER ○ FOUND IRON PIN △ FOUND NAIL △ ORIGINAL STONE ◇ METAL PIPE △ WELL NOTES: NO TITLE INFORMATION AND/OR EASEMENTS WERE FURNISHED AT THE TIME OF SURVEY.	
WELL LOCATION: SW/4 NW/4 SW/4 NE/4 SECTION 14, T3S, R5W, I.M., STEPHENS COUNTY, OKLAHOMA.			
LEASE NAME: JOHNSON		OPERATOR: BANNER OIL & GAS, LLC	
WELL NUMBER: J-74		ELEVATION: 926.55	
DESCRIPTION: 1815' F.N.L. & 2470' F.E.L. OF NE/4.			
LATITUDE: 34°17'55"		LONGITUDE: -97°41'35"	
THIS LOCATION HAS BEEN VERY CAREFULLY STAKED ON THE GROUND ACCORDING TO THE BEST OFFICIAL SURVEY RECORDS, MAPS AND PHOTOGRAPHS AVAILABLE TO US, BUT ITS ACCURACY IS NOT GUARANTEED.			
REVIEW THIS PLAT AND NOTIFY US IMMEDIATELY OF ANY POSSIBLE DISCREPANCY.			
CERTIFICATE I, BUDDY R. HOKIT, A REGISTERED LAND SURVEYOR AND AN AUTHORIZED AGENT OF M.J. LEWIS & ASSOCIATES, DO HEREBY CERTIFY THAT THE ABOVE DESCRIBED WELL LOCATION WAS SURVEYED AND STAKED ON THE GROUND AS SHOWN HEREIN.			
SIGNED THIS <u>4TH</u> DAY OF <u>SEPTEMBER</u>, 20 <u>14</u>.			
<i>Buddy R. Hokit</i> BUDDY R. HOKIT, P.L.S. 1326			
COPYRIGHT © 2014 BY M. J. LEWIS & ASSOCIATES, INC.			
IF THIS DOCUMENT IS NOT SIGNED BY A REGISTERED LAND SURVEYOR, IT DOES NOT HAVE A RED INK PRINT, AND NO DOCUMENT IS A VALID THAT CONTAINS THIS INFORMATION. ANY ALTERATIONS AND/OR CHANGES TO THIS DOCUMENT SHALL NOT APPLY TO ANY COPIES.		A WELL LOCATED IN NE/4 SECTION 14, T3S, R5W, I.M., STEPHENS COUNTY, OKLAHOMA	
SCALE: 1" = 1000'		DRAWN BY: BJP	
DRAWN: 07-22-14		PROJECT NO.: 16335-01	
REVISION: 09-03-14		SURVEYED: 07-11-14	
M.J. LEWIS & ASSOCIATES, INC. CA 1120 TEXT 04-05-15 707 WEST WALNUT AVENUE DUNCAN, OKLAHOMA 73533 580-255-6402 - fax 580-470-8474 - toll free 877-606-5000 www.mjlsurvey.com		MJLA Surveying - Drafting - Design	