

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

API NUMBER: 017 24708

Approval Date: 10/06/2014
Expiration Date: 04/06/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 11N Rge: 6W

County: CANADIAN

SPOT LOCATION: N2 NE NW NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 165 1650

Lease Name: MEYER 1106

Well No: 1-21WH

Well will be 165 feet from nearest unit or lease boundary.

Operator Name: PAYROCK ENERGY LLC

Telephone: 4056084513

OTC/OCC Number: 23215 0

PAYROCK ENERGY LLC
13909 QUAIL POINTE DR
OKLAHOMA CITY, OK 73134-1029

VINCENT G & DOLORES M MEYER
639 S PLEASANTVIEW DR
MUSTANG OK 73064

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	7642	6	
2	WOODFORD	8145	7	
3	HUNTON	8219	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders: 201406790

Increased Density Orders:

Pending CD Numbers: 201406812

Special Orders:

Total Depth: 14692

Ground Elevation: 1389

Surface Casing: 1000

Depth to base of Treatable Water-Bearing FM: 440

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

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: C

Liner not required for Category: C

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

H. SEE MEMO

E. Haul to Commercial pit facility: Sec. 31 Twn. 12N Rng. 8W Cnty. 17 Order No: 587498

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 21 Twp 11N Rge 6W County CANADIAN

Spot Location of End Point: S2 SE SW SE

Feet From: SOUTH 1/4 Section Line: 65

Feet From: EAST 1/4 Section Line: 1650

Depth of Deviation: 7719

Radius of Turn: 1224

Direction: 180

Total Length: 5050

Measured Total Depth: 14692

True Vertical Depth: 9469

End Point Location from Lease,
Unit, or Property Line: 65

Notes:

Category

Description

COMPLETION INTERVAL

10/6/2014 - G91 - WOODFORD COMPLETION INTERVAL NLT 165' FNL & FSL, NLT 330' FEL & FWL PER OPERATOR

DEEP SURFACE CASING

10/6/2014 - 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

LOCATION EXCEPTION - 201406790

10/6/2014 - G91 - (I.O.) 21-11N-6W
X 201406812 MSSP, HNTN, OTHER
NCT 165 FSL, NCT 165 FNL, NCT 1500 FEL
NO OP. NAMED
REC. 9-30-2014 (PORTER)

MEMO

10/6/2014 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201406812

10/6/2014 - G91 - (640)(HOR) 21-11N-6W
EST MSSP, WDFD, HNTN, OTHER
COMPL. INT. (MSSP, HNTN) NLT 660' FB
COMPL. INT. (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL
(COEXIST SP. ORDER # 629375 MSSP, HNTN)
REC. 9-30-2014 (PORTER)

This permit does not address the right of entry or settlement of surface damages.

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