

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

API NUMBER: 093 24994

Approval Date: 10/13/2014
Expiration Date: 04/13/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 16 Twp: 21N Rge: 9W

County: MAJOR

SPOT LOCATION: SE SW SE SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 240 800

Lease Name: DE HAAS

Well No: 1-16WH

Well will be 240 feet from nearest unit or lease boundary.

Operator Name: MUSTANG FUEL CORPORATION

Telephone: 4057489400

OTC/OCC Number: 4999 0

MUSTANG FUEL CORPORATION
9800 N OKLAHOMA AVE
OKLAHOMA CITY, OK 73114-7406

DARYL & ROBERTA DE HAAS
RR 1, BOX 126
AMES OK 73718

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

Name	Depth	Name	Depth
1 WOODFORD	7972	6	
2 HUNTON	8073	7	
3 SYLVAN	8108	8	
4		9	
5		10	

Spacing Orders: 631140

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 12400

Ground Elevation: 1297

Surface Casing: 650

Depth to base of Treatable Water-Bearing FM: 450

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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: 8000 Average: 5000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? Y

Wellhead Protection Area? Y

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

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-28423
H. CLOSED SYSTEM=STEEL PITS (REQUIRED - ORDER 287231) - WITHIN 1/2 MILE OF PWS/WPA

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 16 Twp 21N Rge 9W County MAJOR

Spot Location of End Point: E2 NW NE NE

Feet From: NORTH 1/4 Section Line: 330

Feet From: EAST 1/4 Section Line: 880

Depth of Deviation: 7300

Radius of Turn: 640

Direction: 358

Total Length: 4100

Measured Total Depth: 12400

True Vertical Depth: 8306

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

Notes:

Category	Description
COMPLETION INTERVAL	10/13/2014 - G72 - THE COMPLETION INTERVAL WILL BE AT A LEGAL LOCATION FOR THE WDFD AND THE SLVN. ALSO THE HNTN WILL NOT BE PERFORATED OR DRILLED CLOSER THAN 660' FROM THE UNIT BOUNDARY. PER THE OPERATOR.
PUBLIC WATER SUPPLY/WELLHEAD PROTECTION AREA	10/8/2014 - G71 - ENID #1 1 PWS/WPA, SW/4 15-21N-9W
SPACING - 631140	10/13/2014 - G72 - (640 HORZ) 16-21N-09W (E.O.) EST MISS, WDFD, HNTN, VIOL, SLVN, SMPS; POE TO BHL (MISS, HNTN, VIOL, SMPS) NCT 660'FB; POE TO BHL (WDFD, SLVN) NCT 330' FB; **COEXIST 75566/84459/ 84828, 180980, 363942, ** MSSLM, MSRH, VIOL; **COEXIST 365070 CORRECTED AT HEARING.

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