

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

API NUMBER: 017 24722

Approval Date: 12/01/2014  
Expiration Date: 06/01/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 01 Twp: 13N Rge: 7W County: CANADIAN  
SPOT LOCATION:  SE  SE  SE  SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 250 250

Lease Name: STINE Well No: 1H-36X Well will be 250 feet from nearest unit or lease boundary.

Operator Name: NEWFIELD EXPLORATION MID-CON INC Telephone: 9188781290 OTC/OCC Number: 20944 0

NEWFIELD EXPLORATION MID-CON INC  
1 WILLIAMS CTR STE 1900  
TULSA, OK 74172-0162

DEWAYNE STINE & DENISE STINE  
5414 164TH STREET NE  
OKARCHE OK 73762

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

	Name	Depth	Name	Depth
1	MISSISSIPPIAN	8424	6	
2	WOODFORD	8867	7	
3	HUNTON	8952	8	
4			9	
5			10	

Spacing Orders: No Spacing

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201405727  
201405728  
201405729

Special Orders:

Total Depth: 19269 Ground Elevation: 1244 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 330

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: 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 BED AQUIFER

Pit Location Formation: DUNCAN

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-28192

H. SEE MEMO

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: 150000

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: DUNCAN

HORIZONTAL HOLE 1

Sec 36 Twp 14N Rge 7W County CANADIAN

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 50

Feet From: EAST 1/4 Section Line: 440

Depth of Deviation: 8212

Radius of Turn: 471

Direction: 357

Total Length: 10317

Measured Total Depth: 19269

True Vertical Depth: 8952

End Point Location from Lease,  
Unit, or Property Line: 50

Notes:

Category

Description

DEEP SURFACE CASING

8/21/2014 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

MEMO

8/21/2014 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, WBM & OBM CUTTINGS CAPTURED IN CONCRETE-LINED PIT, SOLIDIFIED, AND BURIED ON SITE; PIT 2 - OBM TO VENDOR

PENDING CD - 201405727

12/1/2014 - G75 - (640)(HOR) 1-13N-7W & 36-14N-7W  
VAC 112949 MISS, HNTN NE4 1-13N-7W  
VAC 122201 MISS, HNTN S2 36-14N-17W  
EST MSSP, WDFD, HNTN  
COMPL. INT (MSSP, HNTN) NLT 660' FB  
COMPL. INT (WDFD) NLT 165' FNL & FSL, NLT 330' FEL & FWL  
(COEXIST SP. ORDER # 112949 MISS, HNTN W2, SE4 1-13N-7W & ORDER # 122201 MISS, HNTN N2 36-14N-7W)  
REC 11-10-2014 (MCKEOWN)

PENDING CD - 201405728

12/1/2014 - G75 - (I.O.) 1-13N-7W & 36-14N-7W  
EST MULTIUNIT HORIZONTAL WELL  
X201405727 MSSP, WDFD, HNTN  
(MSSP, HNTN ASSOCIATED COMMON SOURCES OF SUPPLY TO WDFD)  
50% 1-13N-7W  
50% 36-14N-7W  
NO OP. NAMED  
REC 11-10-2014 (MCKEOWN)

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

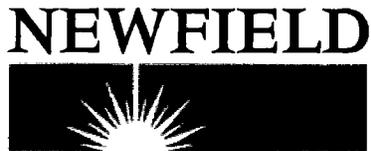
PENDING CD - 201405729

Description

12/1/2014 - G75 - (I.O.) 1-13N-7W & 36-14N-7W  
X201405727 MSSP, WDFD, HNTN  
SHL NCT 150 FSL, NCT 330 FEL 1-13N-7W \*\*  
COMPL. INT (1-13N-7W) NCT 165 FSL, NCT 0 FNL, NCT 330 FEL  
COMPL. INT (36-14N-7W) NCT 0 FSL, NCT 165 FNL, NCT 330 FEL)  
NO OP. NAMED  
REC 11-10-2014 (MCKEOWN)

\*\* ITD HAS SHL AS 250 FSL, 250 FEL 1-13N-7W; TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER ATTORNEY FOR OPERATOR

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.



Newfield Exploration Mid-Continent, Inc.  
One Williams Center; Suite 1900  
Tulsa, OK 741729  
918-582-2690  
Fax: 918-732-1787

August 19, 2014

Oklahoma Corporation Commission  
Oil & Gas Conservation Division  
P.O. Box 52000  
Oklahoma City, Oklahoma 73152-2000

API 017-24722

ATTN: Manager of the Technical Services Department

RE: Liner Variance Request  
Stine 1H-36X  
Sec. 1-13N-7W Canadian County

Dear Sir:

We are requesting a variance to the liner requirements for the burial of oil-based cuttings (OBC) as stated in rules of the Oklahoma Corporation Commission (OCC). We intend to bury the OBC from the above mentioned well using Scott Environmental Services Inc.'s (SESI) stabilization and solidification process, Duro<sup>SM</sup>. Specifically, the request for a variance is because the chosen process cannot be practically carried out under current Oklahoma rules due to the rules stating that OBC burial requires a geomembrane liner but the rules do not allow stirring within geomembrane lined pits.

In a letter dated November 15, 2010, Mr. Tim Baker confirmed that use of a Duro<sup>SM</sup> process had met the requirements of the Commission. It is requested that a variance be approved for this well site, provided that the following conditions are met:

1. A soil liner may be used instead of a geomembrane liner if the unconfined compressive strength (UCS) of the Duro<sup>SM</sup> material is at least 70 pounds per square inch (psi), or
2. No liner is required if the Duro<sup>SM</sup> material meets all of the following conditions:
  - a. A permeability of not more than  $1 \times 10^{-6}$  cm/sec;
  - b. A UCS of at least 35 psi; and
  - c. Concentrations in a leachate of the Duro<sup>SM</sup> material according to EPA's SPLP procedure do not exceed the following values for the constituents named:
    - i. Total Petroleum Hydrocarbons, 100 mg/l;
    - ii. pH, 12.49 SU, plus a lower limit no less than 6;
    - iii. Arsenic, 5.00 mg/l;
    - iv. Barium, 100 mg/l;
    - v. Cadmium, 1.00 mg/l;
    - vi. Chromium, 5.00 mg/l;
    - vii. Lead, 5.00 mg/l;

- viii. Mercury, 0.20 mg/l;
- ix. Selenium, 1.00 mg/l;
- x. Silver, 5.00 mg/l;
- xi. Zinc, 5.00 mg/l; and
- xii. Benzene, 0.5 mg/l.

API 017-24722

The permeability value specified in item 2(a) is the same as that required for a standard soil liner, so that in effect the Duro<sup>SM</sup> processed material becomes its own liner but is even more effective, because the low permeability extends throughout the bulk of the Duro<sup>SM</sup> material.

Conformance with the specified criteria is determined on laboratory samples made with a representative sample of the waste to be subjected to the Duro<sup>SM</sup> process. The results of the testing will be provided to the Pollution Abatement Department of the OCC.

Your prompt attention to this matter is appreciated.

Sincerely,



Connie Hubbard  
Sr. Regulatory Specialist

cc: WF  
Geoffrey Nielsen

OKLAHOMA

# Corporation Commission

P.O. BOX 52000  
OKLAHOMA CITY OKLAHOMA 73152-2000

255 Jim Thorpe Building  
Telephone: (405)521-2302  
FAX: (405)521-3099

OIL & GAS CONSERVATION DIVISION



Lori Wrotenberg, Director

November 15, 2010

J. Blake Scott  
Scott Environmental Services, Inc.  
P.O. Box 6215  
Longview, Texas 75608

API 017-24722

RE: Requests for variances to liner requirements for pits used to contain oil-based cuttings.

Dear Mr. Scott:

This is in response to your inquiry concerning the procedure by which operators of wells in the State of Oklahoma regulated by the Commission's Oil and Gas Conservation Division may request variances to liner requirements for pits used to contain oil-based cuttings (OBC). OAC 165:10-7-16(b)(1)(B)(iv) provides that any pit used to contain oil-based drilling fluids, cuttings and/or completion/fracture/workover fluids shall be required to have a geomembrane liner. OAC 165:10-7-16(b)(5) states that any variance from the liner requirements of OAC 165:10-7-16 may be granted by the Manager of the Technical Services Department after receipt of a written request and supporting documentation required by the Department. Operators must submit written requests for variances to liner requirements for pits used to contain OBC to the Commission's Technical Services Department (TSD) Manager as attachments to initial or amended OCC Form 1000 Applications to Drill, Recomplete or Reenter.

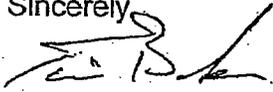
The TSD Manager will require operators to submit documentation in support of requests for variances. Variances to liner requirements for pits containing OBC are not effective until granted by the TSD Manager. If operators requesting variances to liner requirements for pits containing OBC fail to submit acceptable documentation to the TSD Manager, or if such variance requests are denied, then operators are required to deposit the solidified OBC in pits containing geomembrane liners and close the pits as required by OAC 165:10-7-16, or otherwise dispose of the solidified OBC in accordance with Commission rules.

If the processes employed by your company and any other entity demonstrate through the submission of laboratory analyses, chain of custody forms and any other documentation required by the TSD Manager that the solidified OBC for which a variance from the pit liner requirements is sought meet acceptable criteria, then the TSD Manager could approve such variance requests submitted by operators.

Your company has demonstrated in three separate trials to date that solidified OBC for which variances were sought by operators have met the criteria of the Technical Services Department for burying such materials in pits with no geomembrane liners.

If you have any questions concerning the foregoing, please contact me at (405) 522-2763.

Sincerely,



Tim Baker  
Manager, Pollution Abatement Department  
Oklahoma Corporation Commission

API 017-24922

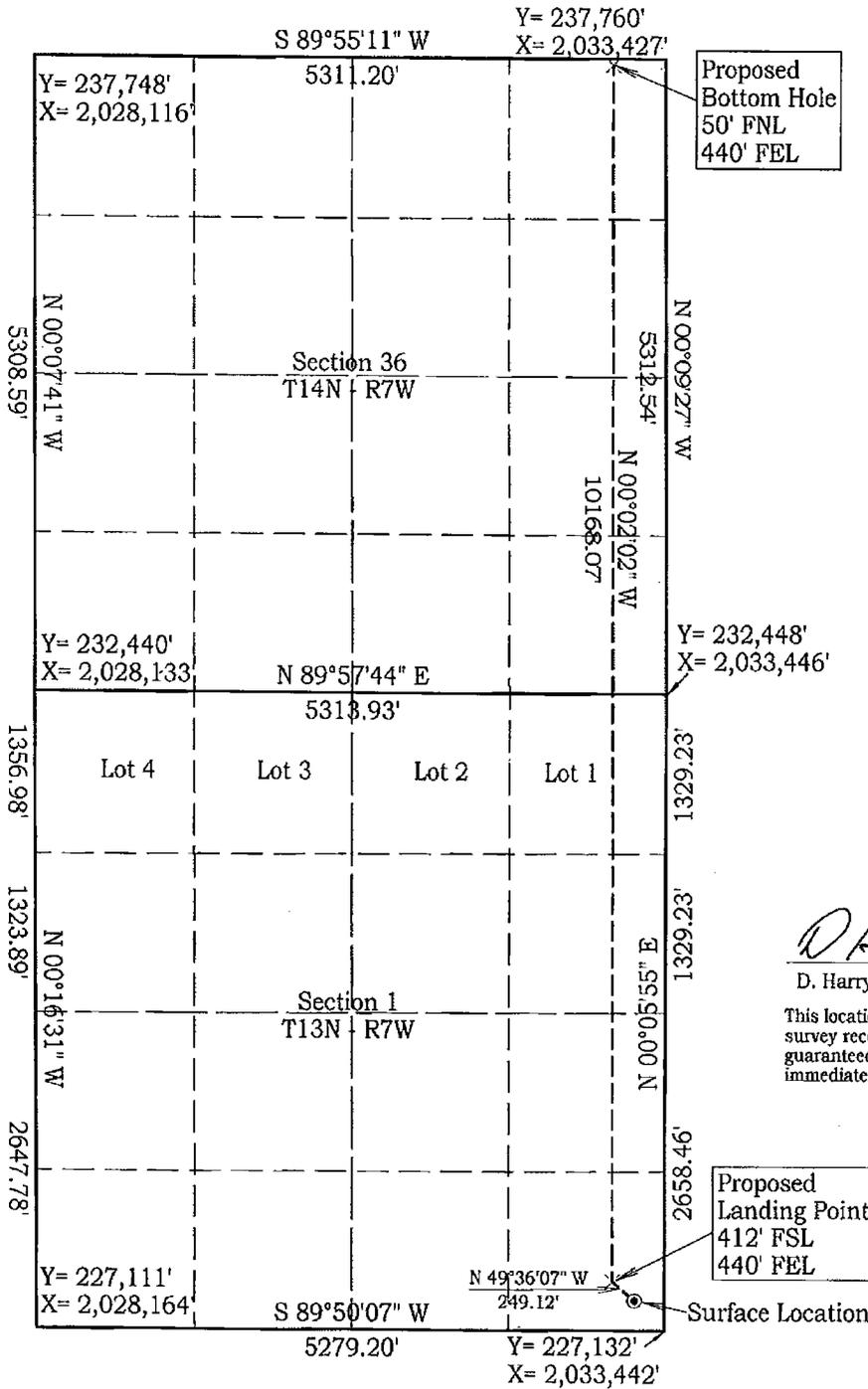
Cc: Lori Wrotenbery, Ron Dunkin, Wayne Wright, Grant Ellis, Tony Cupp, Terry Grooms,  
Gayland Darity, Sally Shipley, Keith Thomas, Susan Conrad, Jim Hamilton, Connie Moore

**Permit Plat**  
**M & M Land Surveying, Inc.**  
 520 "E" Street NW, Ardmore, OK. 73401

API 017-24722

Office 580-226-0446 Mobile 580-221-4999 Fax 580-226-7158

Company Name: Newfield Exploration Mid-Continent, Inc. Lease Name: Stine #1H-36X  
 Section 1 Township 13 North Range 7 West County Canadian Oklahoma  
 Surface Location 250' FSL - 250' FEL



Proposed  
Bottom Hole  
50' FNL  
440' FEL

Proposed  
Landing Point  
412' FSL  
440' FEL

Bearings are based  
on Geodetic North.  
Unless otherwise noted



Scale: 1" = 1500'  
 Invoice # 14243  
 Date 6/16/14

Coordinates were derived  
from GPS RTK methods  
and are only accurate  
within ±10 feet

Location NAD 27  
Oklahoma North

Surface Location  
 Latitude: 35.62460°  
 Longitude: 97.88832°  
 Y= 227,381'  
 X = 2,033,193'

*D. Harry McClintick* 11/14/14

D. Harry McClintick, R.P.L.S. # 1367, CA # 3093

This location has been staked according to the best official survey records available to us, but its accuracy is not guaranteed. Please review this plat and notify us immediately of any discrepancy.

