API NUMBER: 047 24925 A

Horizontal Hole Oil & Gas

Amend reason: CHANGE SHL AND BHL

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

Approval Date: 09/04/2014
Expiration Date: 03/04/2015

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 20N Rge: 8W County: GARFIELD

SPOT LOCATION: SE SW SE SE

FEET FROM QUARTER: FROM **SOUTH** FROM **EAST**

SECTION LINES: **210** **760**

Lease Name: HUBBARD **Well No: 1-23H** **Well will be 210 feet from nearest unit or lease boundary.**

Operator Name: HUSKY VENTURES INC Telephone: 4056009393 OTC/OCC Number: 20434 0

HUSKY VENTURES INC
204 N ROBINSON AVE STE 1800
OKLAHOMA CITY, OK 73102-6808

RICHARD HUBBARD
1824 WESTOVER SQUARE
FORT WORTH TX 76107

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

	Name	Depth		Name	Depth
1	HUNTON	7974	6		
2			7		
3			8		
4			9		
5			10		

Spacing Orders: 612082

Location Exception Orders: 628978

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 12816 Ground Elevation: 1228 **Surface Casing: 430** 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: 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? 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: CEDAR HILLS

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-27232

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST

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 23 Twp 20N Rge 8W County GARFIELD

Spot Location of End Point: NE NE NW NE

Feet From: NORTH 1/4 Section Line: 100

Feet From: EAST 1/4 Section Line: 1635

Depth of Deviation: 7448

Radius of Turn: 502

Direction: 350

Total Length: 4580

Measured Total Depth: 12816

True Vertical Depth: 8021

End Point Location from Lease,
Unit, or Property Line: 100

Notes:

Category	Description
LOCATION EXCEPTION - 628978	9/4/2014 - G72 - 23-20N-8W (I.O.) X 612082 HNTN, OTHERS SHL NCT 0 FSL NCT 0 FEL NCT 0 FWL; COMP INT. NCT 200 FSL NCT 200 FNL NCT 660 FEL NCT 660 FWL; HUSKY VENTURES, INC. 8/8/2014
SPACING - 612082	9/4/2014 - G72 - (640)(HOR) 23-20N-08W VAC OTHERS VAC 127553 HNTN EST HNTN, OTHERS POE TO BHL NCT 660' FB (SUPERSEDE SP. ORDER #363440 SOUTH DRUMMOND HUNTON WATERFLOOD UNIT NO LONGER VIABLE OR PRODUCING PER AFFIDAVIT (SEE CD 201300875 EXHIBIT))

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.