

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

API NUMBER: 137 27408

Approval Date: 01/21/2015  
Expiration Date: 07/21/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 2N Rge: 4W County: STEPHENS  
SPOT LOCATION:  SW  NE  NW  NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 575 950

Lease Name: HATCHETT Well No: 1H-33X Well will be 575 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

MARVIN HATCHETT, JR. & WYNELL HATCHETT,  
TRUSTEES  
P.O. BOX 14216  
ARLINGTON TX 76094

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

Name	Depth	Name	Depth
1 SPRINGER	11934	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 131585  
635338

Location Exception Orders: 635339

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 22900

Ground Elevation: 1151

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 410

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: 15-29470

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 33 Twp 3N Rge 4W County GARVIN

Spot Location of End Point: NE NW NW NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 500

Depth of Deviation: 11194

Radius of Turn: 740

Direction: 355

Total Length: 10543

Measured Total Depth: 22900

True Vertical Depth: 11934

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

Notes:

Category

Description

DEEP SURFACE CASING

1/20/2015 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

LOCATION EXCEPTION - 635339

1/21/2015 - G75 - (I.O.) 4-2N-4W & 33-3N-4W  
X131585 SPRG  
COMPL. INT. (4-2N-4W) NCT 165 FSL, NCT 0 FNL, NCT 330 FWL  
COMPL. INT. (33-3N-4W) NCT 0 FSL, NCT 165 FNL, NCT 330 FWL  
NEWFIELD EXPLOR. MID-CONT., INC.  
1-15-2015

MEMO

1/20/2015 - 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

SPACING - 131585

1/21/2015 - G75 - (640) 4-2N-4W & 33-3N-4W  
EST SPRG, OTHERS

SPACING - 635338

1/21/2015 - G75 - (I.O.) 4-2N-4W & 33-3N-4W  
EST MULTIUNIT HORIZONTAL WELL  
X131585 SPRG  
50% 4-2N-4W  
50% 33-3N-4W  
NEWFIELD EXPLOR. MID-CONT., INC.  
1-15-2015

WATERSHED STRUCTURE

1/20/2015 - G71 - WELL WITHIN 1/2 MILE OF AN OKLAHOMA CONSERVATION COMMISSION WATERSHED STRUCTURE. CONTACT THE LOCAL CONSERVATION DISTRICT OFFICE AT (580) 255-5798 PRIOR TO DRILLING

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

January 15, 2015

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

API 137-27408

ATTN: Manager of the Technical Services Department

RE: Liner Variance Request  
Hatchett 1H-33X ✓  
Sec 09-02N-04W, Stephens 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  $1 \times 10^{-8}$  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.

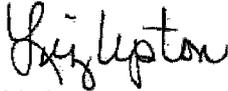
API 137-27408

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,



Liz Upton  
Regulatory Technician

cc: WF

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 Wrotenbery, Director

November 15, 2010

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

API 137-27408

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.

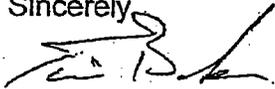
The TSD Manager will require operators to submit documentation in support of requests for variances. Variances to liner requirements for pits containing OBC are not effective until granted by the TSD Manager. If operators requesting variances to liner requirements for pits containing OBC fail to submit 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 137-27408

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

SERVICE • ASSISTANCE • COMPLIANCE  
EXCELLENCE IS OUR STANDARD

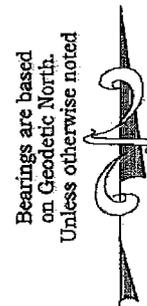
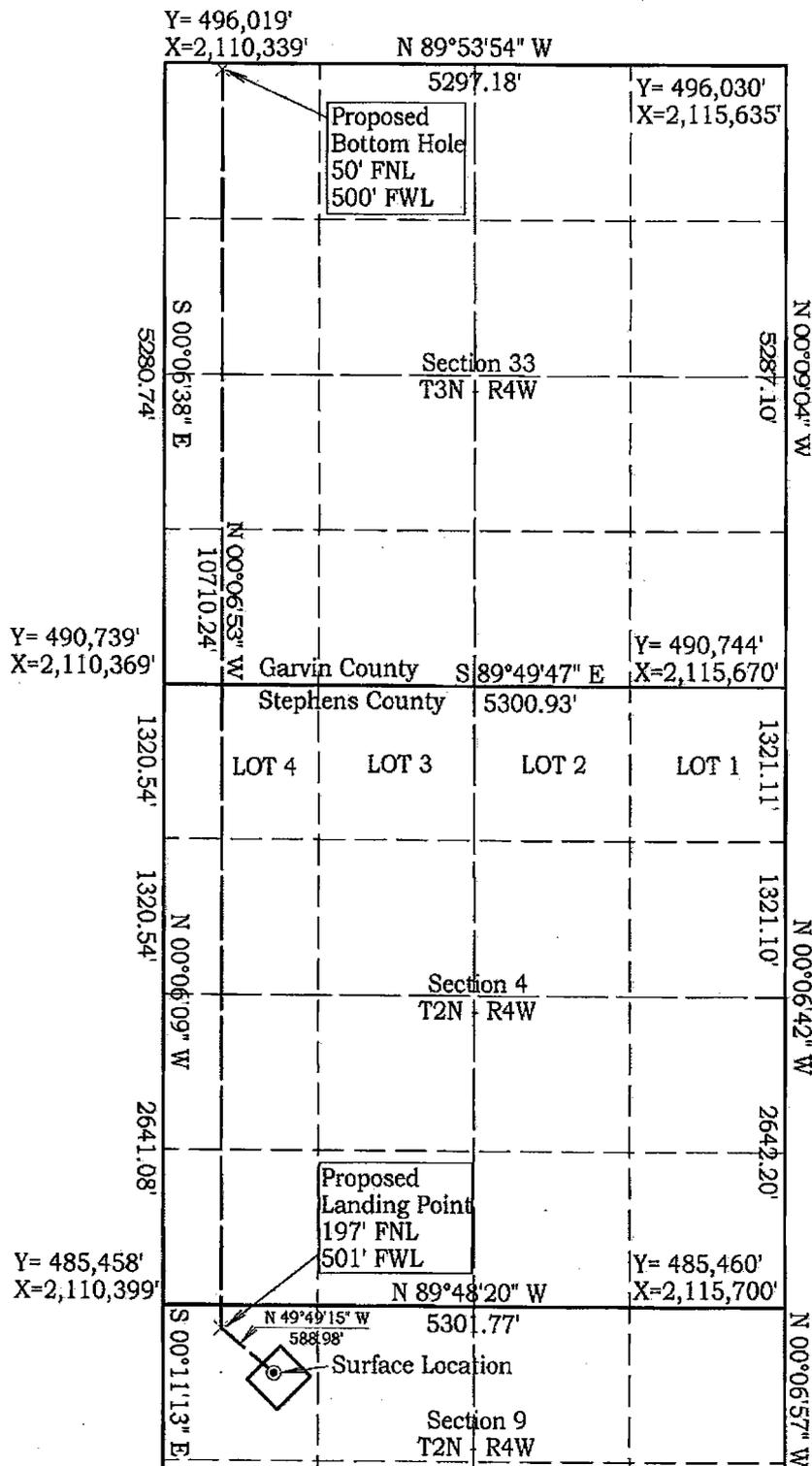
# Permit Plat

## M & M Land Surveying, Inc.

API 137-27408

520 "E" Street NW. Ardmore, OK. 73401  
 Office 580-226-0446 Mobile 580-221-4999 Fax 580-226-7158

Company Name: Newfield Exploration Mid-Continent, Inc. Lease Name: Hatchett #1H-33X  
 Section 9 Township 2 North Range 4 West County Stephens Oklahoma  
 Surface Location 575' FNL - 950' FWL Elevation 1151'



Scale: 1" = 1500'  
 Invoice # 14513  
 Date 12/2/2014

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

Location NAD 27  
 Oklahoma South  
 Surface Location  
 Latitude: 34.66520°  
 Longitude: 97.62969°  
 Y= 484,883'  
 X= 2,111,353'

*D. Harry McClintick* 11/6/15

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.

