

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

API NUMBER: 047 25003

Approval Date: 02/02/2015
Expiration Date: 08/02/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 18 Twp: 24N Rge: 6W County: GARFIELD
SPOT LOCATION: SE SW SE SE FEET FROM QUARTER: FROM SOUTH FROM EAST
SECTION LINES: 210 920

Lease Name: GRAY 2406 Well No: 2-18H Well will be 210 feet from nearest unit or lease boundary.
Operator Name: SANDRIDGE EXPLORATION & PRODUCTION LLC Telephone: 4054296169 OTC/OCC Number: 22281 0

SANDRIDGE EXPLORATION & PRODUCTION LLC
123 ROBERT S KERR AVE STE 1702
OKLAHOMA CITY, OK 73102-6406

ROBERT DALE GRAY AND LINDA L. GRAY
PO BOX 192
KREMLIN OK 73753

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	5794	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 623903 Location Exception Orders: 625092 Increased Density Orders: 632490

Pending CD Numbers:

Special Orders:

Total Depth: 11546 Ground Elevation: 1131 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 420

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: 10000 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: KINGMAN

Approved Method for disposal of Drilling Fluids:

- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 14-29424
- E. Haul to Commercial pit facility: Sec. 15 Twn. 24N Rng. 7W Cnty. 47 Order No: 623842
- 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 18 Twp 24N Rge 6W County GARFIELD

Spot Location of End Point: N2 N2 NW NE

Feet From: NORTH 1/4 Section Line: 150

Feet From: EAST 1/4 Section Line: 1980

Depth of Deviation: 5294

Radius of Turn: 848

Direction: 353

Total Length: 4920

Measured Total Depth: 11546

True Vertical Depth: 5904

End Point Location from Lease,
Unit, or Property Line: 150

Notes:

Category	Description
DEEP SURFACE CASING	2/2/2015 - 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
INCREASED DENSITY - 632490	2/2/2015 - G91 - 18-24N-6W X623903 MSSP 3 WELLS SANDRIDGE EXPLOR. & PROD., LLC. 10-31-2014
LOCATION EXCEPTION - 625092	2/2/2015 - G91 - (I.O.) 18-24N-6W X623903 MSSP COMPL. INT. NCT 150 FSL, NCT 150 FNL, NCT 560 FEL SANDRIDGE EXPLOR. & PROD., LLC. 5-8-2014
SPACING - 623903	2/2/2015 - G91 - (640) 18-24N-6W VAC OTHERS EST OTHERS EST (HOR) OTHER EXT (HOR) 621852 MSSP, OTHER POE TO BHL NCT 660' FB (SUPERCEDE NON-DEVELOP NON-HORIZONTAL SPACING UNITS; COEXIST PRODUCING NON-HORIZONTAL SPACING UNITS)

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