| API NUMBER: | 137 27302 | A |

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

| Approval Date: | 08/19/2014 |
| Expiration Date: | 02/19/2015 |

Horizontal Hole   Oil & Gas

Amend reason: CHANGE DISPOSAL METHOD; UPDATE ORDERS

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 1N Rge: 5W   County: STEPHENS

SPOT LOCATION: | SW | SE | SW | SE | FEET FROM QUARTER: FROM **SOUTH** FROM **EAST**

SECTION LINES: 285   1664

Lease Name: DAVENPORT RANCH   Well No: 1-31H   Well will be 285 feet from nearest unit or lease boundary.

| **Operator Name:** | **MARATHON OIL COMPANY** | Telephone: 7136296600 | OTC/OCC Number: 1363 0 |

MARATHON OIL COMPANY
5555 SAN FELIPE ST
HOUSTON,   TX   77056-2701

DAVENPORT RANCH LLC
P.O. BOX 1317
EAST BERNARD   TX   77435

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

	Name	Depth		Name	Depth
1	MISSISSIPPIAN	13950	6		
2	WOODFORD	14750	7		
3	HUNTON	15150	8		
4			9		
5			10		

Spacing Orders: 630174   Location Exception Orders: 630969   Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 18361   Ground Elevation: 1105   **Surface Casing: 1500**   Depth to base of Treatable Water-Bearing FM: 460

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: PURCELL

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT)   PERMIT NO: 14-27669
H. SEE MEMO

PIT 2 INFORMATION

Type of Pit System: CLOSED   Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 200000

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: PURCELL

HORIZONTAL HOLE 1

Sec   31   Twp 1N   Rge 5W   County   STEPHENS

Spot Location of End Point: NW   NE   NW   NE

Feet From: NORTH   1/4 Section Line: 50

Feet From: EAST   1/4 Section Line: 1664

Depth of Deviation: 12953

Radius of Turn: 562

Direction: 360

Total Length: 4525

Measured Total Depth: 18361

True Vertical Depth: 15150

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

Notes:

Category	Description
DEEP SURFACE CASING	7/24/2014 - G76 - 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 - 630969	2/11/2015 - G75 - (I.O.) 31-1N-5W X630174 MSSP, WDFD, HNTN COMPL. INT. NCT 150 FSL, NCT 150 FNL, NCT 300 FEL MARATHON OIL CO. 9-23-2014
MEMO	2/6/2015 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS TO DEQ APPROVED FACILITY (SOUTHERN PLAINS LANDFILL, GRADY CO., # 3526013)
SPACING - 630174	2/11/2015 - G75 - (640) 31-1N-5W VAC 101236 SCMR EXT 618690 WDFD, HNTN, OTHERS EST MSSP

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.

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