

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

API NUMBER: 079 22120

Approval Date: 02/18/2015
Expiration Date: 08/18/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 11 Twp: 6N Rge: 26E County: LEFLORE
SPOT LOCATION: NE SW NW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1844 265

Lease Name: WANN Well No: 7H-10 Well will be 265 feet from nearest unit or lease boundary.
Operator Name: REDBUD E & P INC Telephone: 8326984234 OTC/OCC Number: 21853 0

REDBUD E & P INC
16000 STUEBNER AIRLINE RD STE 320
SPRING, TX 77379-7396

ROY F. WANN
35709 MIDWAY PLACE
POTEAU OK 74953

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

Name	Depth	Name	Depth
1 HARTSHORNE	1524	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 116792

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201500025
201500023
201500024

Special Orders:

Total Depth: 4454 Ground Elevation: 498 **Surface Casing: 250** Depth to base of Treatable Water-Bearing FM: 40

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: Yes

PIT 1 INFORMATION

Type of Pit System: ON SITE
Type of Mud System: WATER BASED

Chlorides Max: 25000 Average: 8000

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 not located in a Hydrologically Sensitive Area.

Category of Pit: 2

Liner not required for Category: 2

Pit Location is NON HSA

Pit Location Formation: MCALESTER

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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 10 Twp 6N Rge 26E County LEFLORE

Spot Location of End Point: SE SW SW SE

Feet From: SOUTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 492

Depth of Deviation: 1094

Radius of Turn: 379

Direction: 234

Total Length: 2764

Measured Total Depth: 4454

True Vertical Depth: 1524

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category	Description
EXCEPTION TO RULE - 201500025	2/18/2015 - G76 - (I.O.) 10-6N-26E X165:10-3-28(C)(2)(B) HRSR (WANN 7H-10) NCT 300' TO THE WANN 10-10 REDBUD E&P INC. REC. 2/3/2015 (MCKEOWN)
PENDING CD - 201500023	2/18/2015 - G76 - (I.O.) 10-6N-26E X116792 HRSR COMPL. INT. NCT 165 & NCT 165 FEL, NCT 1320 FNL & NCT 1320 FWL REDBUD E&P, INC. REC. 2/3/2015 (MCKEOWN)
PENDING CD - 201500024	2/18/2015 - G76 - 10-6N-26E X116792 HRSR 1 WELL NO OP. NAMED REC. 2/3/2015 (MCKEOWN)
SPACING - 116792	2/18/2015 - G76 - (640) 10-6N-26E EST HRSR, OTHERS

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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.