

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

API NUMBER: 017 24756 A

Approval Date: 02/05/2015
Expiration Date: 08/05/2015

Horizontal Hole Oil & Gas

Amend reason: CHANGE DISPOSAL METHOD

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 14N Rge: 9W

County: CANADIAN

SPOT LOCATION:

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 350 2370

Lease Name: DAUGHETY 31-14N-9W

Well No: 4H

Well will be 350 feet from nearest unit or lease boundary.

Operator Name: DEVON ENERGY PRODUCTION CO LP

Telephone: 4052353611; 4052353

OTC/OCC Number: 20751 0

DEVON ENERGY PRODUCTION CO LP
333 W SHERIDAN AVE DEC 34.428
OKLAHOMA CITY, OK 73102-5010

JIMMIE MILLER SMITH, TRUSTEE
24250 192 NW
GEARY OK 73040

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

Name	Depth	Name	Depth
1 WOODFORD	11882	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 571003

Location Exception Orders: 619039
632375
632565

Increased Density Orders: 602791
616579
631210

Pending CD Numbers:

Special Orders:

Total Depth: 16721

Ground Elevation: 1390

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 190

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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 ALLUVIAL

Pit Location Formation: ALLUVIUM

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 15-29710

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: 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 ALLUVIAL

Pit Location Formation: ALLUVIUM

HORIZONTAL HOLE 1

Sec 31 Twp 14N Rge 9W County CANADIAN

Spot Location of End Point: SW SE SE SW

Feet From: SOUTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 2038

Depth of Deviation: 11514

Radius of Turn: 478

Direction: 190

Total Length: 4457

Measured Total Depth: 16721

True Vertical Depth: 11991

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

Notes:

Category

Description

DEEP SURFACE CASING

2/5/2015 - 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 - 602791

2/5/2015 - G76 - 31-14N-9W
X571529 WDFD**
8 WELLS
DEVON ENERGY PROD. COMPANY, L.P.
10/4/2012

**S/B X571003 WDFD; NUNC PRO TUNC HAS BEEN PREPARED BY ATTORNEY FOR OPERATOR AND A COPY REVIEWED BY OCC

INCREASED DENSITY - 616579

2/5/2015 - G76 - EXT 602791 UNTIL 10/4/2014

INCREASED DENSITY - 631210

2/5/2015 - G76 - EXT 602791 UNTIL 10/4/2015

INTERMEDIATE CASING

2/5/2015 - G71 - DUE TO THE KNOWN POTENTIAL RISK OF ENCOUNTERING AN OVER-PRESSURED ZONE IN THE MORROW SERIES IN THIS AREA, THE TECHNICAL MANAGER RECOMMENDS SETTING AN INTERMEDIATE STRING OF CASING IMMEDIATELY ABOVE THE MORROW SERIES

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.

017 24756 DAUGHETY 31-14N-9W 4H

Category	Description
LOCATION EXCEPTION - 619039	2/5/2015 - G76 - (I.O.) 31-14N-9W X571003 WDFD X165:10-3-28 MAY BE AS CLOSE AS 500' TO AN EXISTING WELLBORE 1ST PERF NCT 150 FNL, NCT 1300 FWL LAST PERF NCT 150 FSL, NCT 1300 FWL 12/11/2013 DEVON ENERGY PROD. CO., L.P.
LOCATION EXCEPTION - 632565	2/5/2015 - G76 - EXT 619039 UNTIL 12/11/2015
LOCATION EXCEPTION - 632565	2/5/2015 - G76 - EXT 619039 UNTIL 12/11/2015
MEMO	2/5/2015 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS REQUIRED (NORTH CANADIAN RIVER), PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 571003	2/5/2015 - G76 - (640) 31-14N-9W EXT 569048 WDFD, OTHERS