

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

API NUMBER: 045 23491 A

Approval Date: 04/06/2015
Expiration Date: 10/06/2015

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 21 Twp: 18N Rge: 24W County: ELLIS
SPOT LOCATION: NW NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 212 655

Lease Name: GROSS Well No: 4-16H Well will be 212 feet from nearest unit or lease boundary.
Operator Name: PPP PETROLEUM LP Telephone: 2142316832 OTC/OCC Number: 23356 0

PPP PETROLEUM LP
2101 CEDAR SPRINGS RD STE 1800
DALLAS , TX 75201-1585

FAYE & JANE GROSS
P.O. BOX 39
ARNETT OK 73832

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

Name	Depth	Name	Depth
1 CLEVELAND	9296	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 475998 Location Exception Orders: 625526 Increased Density Orders: 625609

Pending CD Numbers: Special Orders:

Total Depth: 14414 Ground Elevation: 2368 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 630

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

PIT 1 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 14000 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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-26664

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 AP/TE DEPOSIT

Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 16 Twp 18N Rge 24W County ELLIS

Spot Location of End Point: NW NE NE NE

Feet From: NORTH 1/4 Section Line: 165

Feet From: EAST 1/4 Section Line: 500

Depth of Deviation: 8818

Radius of Turn: 478

Direction: 5

Total Length: 4845

Measured Total Depth: 14414

True Vertical Depth: 9296

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

Notes:

Category	Description
DEEP SURFACE CASING	4/6/2015 - G76 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING
INCREASED DENSITY - 625609	4/6/2015 - G76 - 16-18N-24W X475998 CLVD 2 WELLS PPP PETRO., LP 5-19-2014
LOCATION EXCEPTION - 625526	4/6/2015 - G76 - (I.O.) 16-18N-24W X475998 CLVD COMPL. INT. NCT 165 TO SL, NCT 165 TO NL, NCT 330 TO EL PPP PETRO., LP 5-16-2014
MEMO	4/6/2015 - G76 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT
SPACING - 475998	4/6/2015 - G76 - (640) 16-18N-24W EXT 203575 CLVD, OTHERS

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