

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

API NUMBER: 045 23495 A

Approval Date: 07/21/2014
Expiration Date: 01/21/2015

Horizontal Hole Oil & Gas

Amend reason: SURFACE HOLE AND BOTTOM HOLE LOCATION

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 13 Twp: 18N Rge: 24W County: ELLIS
SPOT LOCATION: S2 S2 SE SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 140 1980

Lease Name: SHREWDER Well No: 2-13H Well will be 140 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

LAURA WESCOTT CORSE
12224 E. PALOMINO RD.
SCOTTSDALE AZ 85259

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

Name	Depth	Name	Depth
1 MISSOURIAN (LESS COTT GRVE)	9564	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 202657 Location Exception Orders: 625520 Increased Density Orders: 625519

Pending CD Numbers: Special Orders:

Total Depth: 14450 Ground Elevation: 2461 Surface Casing: 1500 Depth to base of Treatable Water-Bearing FM: 820

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 BED AQUIFER

Pit Location Formation: OGALLALA

Approved Method for disposal of Drilling Fluids:

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

PERMIT NO: 14-27580

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 BED AQUIFER

Pit Location Formation: OGALLALA

HORIZONTAL HOLE 1

Sec 13 Twp 18N Rge 24W County ELLIS

Spot Location of End Point: NE NW NE NW

Feet From: NORTH 1/4 Section Line: 170

Feet From: WEST 1/4 Section Line: 1967

Depth of Deviation: 8973

Radius of Turn: 12

Direction: 1

Total Length: 765

Measured Total Depth: 14450

True Vertical Depth: 9564

End Point Location from Lease,
Unit, or Property Line: 170

Notes:

Category	Description
DEEP SURFACE CASING	6/20/2014 - 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 - 625519	7/18/2014 - G72 - 13-18N-24W X 202657 MOLCG; 2 WELLS; PPP PETROLEUM, LP. 5/16/2014
LOCATION EXCEPTION - 625520	7/18/2014 - G72 - 13-18N-24W (I.O.) X 202657 MOLCG; COMP INT. NCT 165 FSL NCT 165 FNL NCT 1320 FWL; PPP PETROLEUM, LP; 5/16/2014
MEMO	6/20/2014 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 202657	7/18/2014 - G72 - (640) 13-18N-24W (640) 13-18N-24W EST MOLCG, OTHERS EXT OTHERS

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