

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

API NUMBER: 051 24047

Approval Date: 06/27/2016  
Expiration Date: 12/27/2016

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 25 Twp: 10N Rge: 6W County: GRADY  
SPOT LOCATION:  SW  SE  SE  SE FEET FROM QUARTER: FROM SOUTH FROM EAST  
SECTION LINES: 290 460

Lease Name: JACKSON 25-24-10-6 Well No: 1XH Well will be 290 feet from nearest unit or lease boundary.  
Operator Name: LINN OPERATING INC Telephone: 4052412200; 4052412 OTC/OCC Number: 22182 0

LINN OPERATING INC  
14701 HERTZ QUAIL SPRINGS PKWY  
OKLAHOMA CITY, OK 73134-2641

LAJUENE JACKSON AND OTIS E. JACKSON  
PO BOX 652  
TUTTLE OK 73089

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	9689	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 652911 Location Exception Orders: 652881 Increased Density Orders: 653453  
256715 653452 653454  
243218

Pending CD Numbers:

Special Orders:

Total Depth: 19691 Ground Elevation: 1273 **Surface Casing: 1500** Depth to base of Treatable Water-Bearing FM: 70

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

PIT 1 INFORMATION

Type of Pit System: ON SITE  
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: 1B

Liner required for Category: 1B

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

- A. Evaporation/dewater and backfilling of reserve pit.
- B. Solidification of pit contents.
- D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31363
- 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: ON SITE
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: 3
Liner required for Category: 3
Pit Location is AP/TE DEPOSIT
Pit Location Formation: TERRACE

HORIZONTAL HOLE 1

Sec 24 Twp 10N Rge 6W County GRADY
Spot Location of End Point: N2 NE NE NE
Feet From: NORTH 1/4 Section Line: 165
Feet From: EAST 1/4 Section Line: 330
Depth of Deviation: 9491
Radius of Turn: 575
Direction: 360
Total Length: 9297
Measured Total Depth: 19691
True Vertical Depth: 9691
End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Table with 2 columns: Category, Description. Contains notes on DEEP SURFACE CASING, EXCEPTION TO THE RULE, HYDRAULIC FRACTURING, and INCREASED DENSITY.

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Category	Description
LOCATION EXCEPTION - 652881	6/27/2016 - G60 - (E.O.) 24 & 25-10N-6W X243218 MISS 24-10N-6W X256715 MSSP 25-10N-6W SHL APPROX. 265' FSL, APPROX. 500' FEL 25-10N-6W COMPL. INT. (25-10N-6W) NCT 165' FSL, NCT 0' FNL, NCT 330' FEL COMPL. INT. (24-10N-6W) NCT 0' FSL, NCT 165' FNL, NCT 330' FEL LINN OPERATING, LLC. 5-23-16
MEMO	6/24/2016 - G71 - PITS 1 & 2 - CONCRETE LINED PIT PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT
SPACING - 243218	6/27/2016 - G60 - (640) 24-10N-6W VAC OTHER EXT 94421/148788 MISS, OTHERS
SPACING - 256715	6/27/2016 - G60 - (640) 25-10-6W EXT OTHERS EST OTHER EXT 253223 MSSP
SPACING - 652911	6/27/2016 - G60 - (E.O.)(640) 24 & 25-10N-6W EST MULTIUNIT HORIZONTAL WELL X243218 MISS 24-10N-6W X256715 MSSP 25-10N-6W 50% 25-10N-6W 50% 24-10N-6W LINN OPERATING INC. 5-24-16

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