

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

API NUMBER: 011 23689

Approval Date: 12/06/2016
Expiration Date: 06/06/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 31 Twp: 15N Rge: 11W County: BLAINE
SPOT LOCATION: N2 NE NE NE FEET FROM QUARTER: FROM NORTH FROM EAST
SECTION LINES: 255 330

Lease Name: ALTA BIA 1511 Well No: 1-6-31MXH Well will be 255 feet from nearest unit or lease boundary.
Operator Name: MARATHON OIL COMPANY Telephone: 7132962003 OTC/OCC Number: 1363 0

MARATHON OIL COMPANY
5555 SAN FELIPE ST
HOUSTON, TX 77056-2701

DAVID LESLIE ENNEN
ROUTE 1 BOX 24
GREENFIELD OK 73043

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

| Name | Depth | Name | Depth |
|-----------------|-------|------|-------|
| 1 MISSISSIPPIAN | 10810 | 6 | |
| 2 MISS'AN LM | 12232 | 7 | |
| 3 | | 8 | |
| 4 | | 9 | |
| 5 | | 10 | |

Spacing Orders: 657613
218665

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201605208
201605207

Special Orders:

Total Depth: 22549

Ground Elevation: 1496

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 40

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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: 8000 Average: 5000

E. Haul to Commercial pit facility: Sec. 31 Twn. 12N Rng. 8W Cnty. 17 Order No: 587498

Is depth to top of ground water greater than 10ft below base of pit? Y

H. SEE MEMO

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

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 06 Twp 14N Rge 11W County BLAINE

Spot Location of End Point: SW SE SE NE

Feet From: NORTH 1/4 Section Line: 2610

Feet From: EAST 1/4 Section Line: 350

Depth of Deviation: 11496

Radius of Turn: 462

Direction: 181

Total Length: 10327

Measured Total Depth: 22549

True Vertical Depth: 12499

End Point Location from Lease,
Unit, or Property Line: 350

Notes:

Category

Description

DEEP SURFACE CASING

11/14/2016 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

11/14/2016 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK [HTTP://FRACFOCUS.ORG/](http://fracfocus.org/) WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE.

INTERMEDIATE CASING

11/14/2016 - 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

MEMO

11/14/2016 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201605207

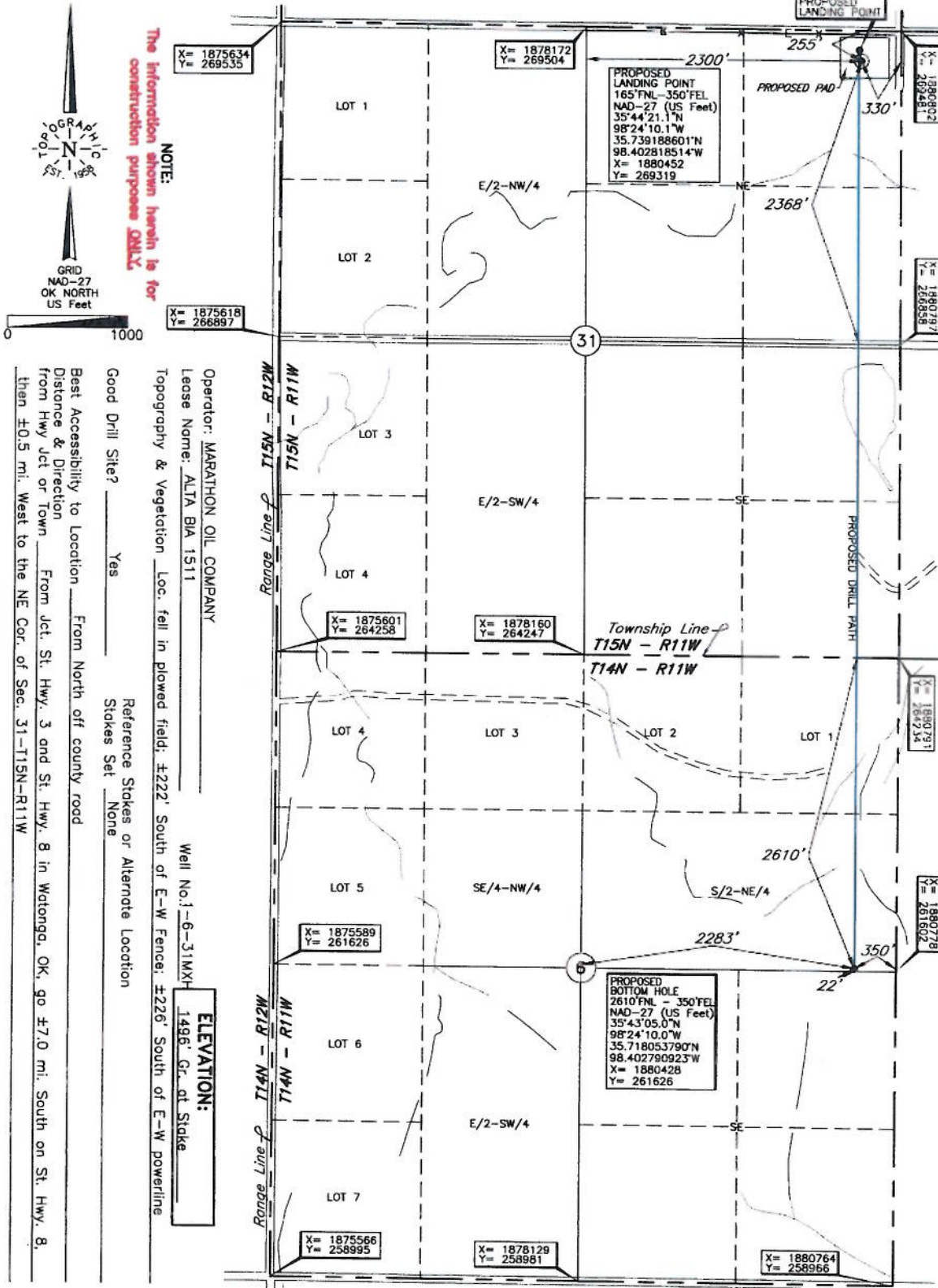
11/14/2016 - G60 - (I.O.) 6-14N-11W & 31-15N-11W
EST MULTIUNIT HORIZONTAL WELL
X218665 (6-14N-11W) MPLM
X657613 (31-15N-11W) MSSP
66.7% 31-15N-11W
33.33% 6-14N-11W
NO OP NAMED
REC. 12/5/16 (DUNN)

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.

| Category | Description |
|------------------------|---|
| PENDING CD - 201605208 | 11/14/2016 - G60 - (I.O.) 6-14N-11W & 31-15N-11W X218665 (6-14N-11W) MPLM X657613 (31-15N-11W) MSSP COMPL. INT. (31-15N-11W) NCT 150' FNL, NCT 0' FSL, NCT 330' FEL COMPL. INT. (6-14N-11W) NCT 0' FNL, NCT 2640 FSL, NCT 330' FEL NO OP. NAMED REC. 12/5/16 (DUNN) |
| SPACING - 218665 | 11/15/2016 - G60 - (640) 6-14N-11W EXT OTHER EXT 102663 CSTR, MPLM |
| SPACING - 657613 | 11/14/2016 - G60 - (640)(HOR) 31-15N-11W EXT 583322 MSSP, OTHERS COMPL. INT. NLT 660' FB |

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Office of the Conservation Division as to when Surface Casing will be run.

BLAINE County, Oklahoma
 255' FNL - 330' FEL Section 31 Township 15N Range 11W I.M.



NOTE:
 The information shown herein is for construction purposes ONLY.

Operator: MARATHON OIL COMPANY
 Lease Name: ALTA BIA 1511
 Topography & Vegetation: Loc. fell in plowed field, ±222' South of E-W Fence, ±226' South of E-W powerline
 Well No.: 1-6-31MXX-1486 Cr. at Stake
ELEVATION:
 Reference Stakes or Alternate Location: Stakes Set None
 Good Drill Site? Yes
 Best Accessibility to Location: From North off county road
 Distance & Direction: From Jct. St. Hwy. 3 and St. Hwy. 8 in Watonga, OK, go ±7.0 mi. South on St. Hwy. 8 then ±0.5 mi. West to the NE Cor. of Sec. 31-T15N-R11W

DATUM: NAD-27
 LAT: 35°44'20.2"N
 LONG: 98°24'09.9"W
 LAT: 35.738940828° N
 LONG: 98.402750873° W
 STATE PLANE
 COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 1880471
 Y: 269229

Date of Drawing: Oct. 4, 2016
 Invoice # 265765 Date Staked: Sep. 22, 2016

CERTIFICATE:
 I, Lee K. Goss, an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.
 Oklahoma Lic. No. 1778

