

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

API NUMBER: 011 23696

Approval Date: 12/20/2016
Expiration Date: 06/20/2017

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 23 Twp: 16N Rge: 12W County: BLAINE
SPOT LOCATION: NW SW SW SW FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 508 243

Lease Name: C-FARMS 23-16N-12W Well No: 1H Well will be 243 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
OKLAHOMA CITY, OK 73102-5010

C FARMS, INC.
ROUTE 2, BOX 55
GEARY OK 73040

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	9742	6	
2 WOODFORD	11407	7	
3 HUNTON	11487	8	
4		9	
5		10	

Spacing Orders: 585991

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201604866
201604867

Special Orders:

Total Depth: 15206

Ground Elevation: 1480

Surface Casing: 1999

Depth to base of Treatable Water-Bearing FM: 130

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: 8000 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 ALLUVIAL

Pit Location Formation: ALLUVIUM

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 16-31946
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 23 Twp 16N Rge 12W County BLAINE

Spot Location of End Point: NE NW NW NW

Feet From: NORTH 1/4 Section Line: 50

Feet From: WEST 1/4 Section Line: 380

Depth of Deviation: 10212

Radius of Turn: 478

Direction: 2

Total Length: 4243

Measured Total Depth: 15206

True Vertical Depth: 11487

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

Notes:

Category

Description

DEEP SURFACE CASING

12/19/2016 - 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

12/19/2016 - 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

12/19/2016 - 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

12/19/2016 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

PENDING CD - 201604866

12/20/2016 - G60 - 23-16N-12W
X585991 MSSP
2 WELLS
NO OP. NAMED
REC. 12/5/16 (M. PORTER)

PENDING CD - 201604867

12/20/2016 - G60 - (I.O.) 23-16N-12W
X585991 MSSP, WDFD, HNTN
COMPL. INT. NCT 165' FSL, NCT 165' FNL, NCT 330' FWL
NO OP. NAMED
REC. 12/5/16 (M. PORTER)

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.

011 23696 C-FARMS 23-16N-12W 1H

Category

Description

SPACING - 585991

12/20/2016 - G60 - (640) 23-16N-21W
VAC 221573 CSTR
EXT 205852 HNTN
EST MSSP, WDFD

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.

TOPOGRAPHIC LAND SURVEYORS OF OKLAHOMA

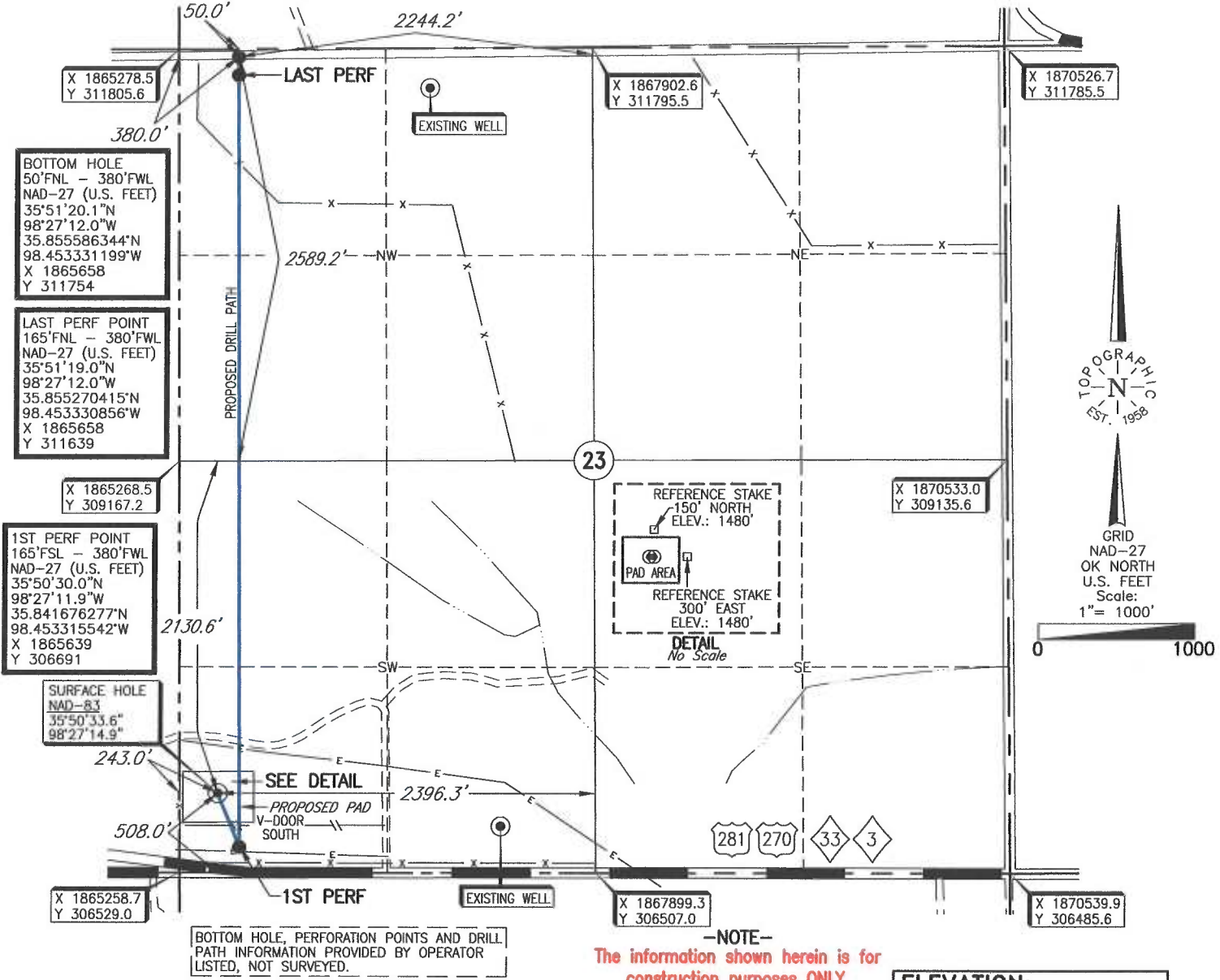
6709 NORTH CLASSEN BLVD., OKLA. CITY, OKLA. 73116 * LOCAL (405) 843-4847 * OUT OF STATE (800) 654-3219
 Certificate of Authorization No. 1293 LS

3501123696

BLAINE

County, Oklahoma

508'FSL - 243'FWL Section 23 Township 16N Range 12W I.M.



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

ELEVATION:
 1479' Gr. at Stake (NGVD29)
 1480' Gr. at Stake (NAVD88)

Operator: DEVON ENERGY PRODUCTION CO., LP
 Lease Name: C-FARMS 23-16N-12W Well No.: 1H
 Topography & Vegetation Location fell in grass pasture, ±304 South of powerline, ±206' North of pipeline, ±368' North of powerline.
 Good Drill Site? Yes Reference Stakes Set (1) 150' North - Elev. 1480' (2) 300' East - Elev. 1480'
 Best Accessibility to Location From South off U.S. Hwy. 270 and St. Hwy. 3.
 Distance & Direction from Hwy Jct or Town From Watonga, Ok., go ±2 miles West on U.S. Hwy. 270/St. Hwy. 3 to the SW corner of Section 23, T16N - R12W.

This information was gathered with a GPS receiver with ±1 foot Horiz./Vert. accuracy

DATUM: NAD-27
 LAT: 35°50'33.4"N
 LONG: 98°27'13.6"W
 LAT: 35.842620433°N
 LONG: 98.453779598°W
 STATE PLANE COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: X= 1865503
 Y: Y= 307035

Revision B Date of Drawing: October 19, 2016
 Invoice # 264684A Date Staked: August 31, 2016 RKM

CERTIFICATE:
 I, Thomas L. Howell an Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify to the information shown herein.
Thomas L. Howell
 Oklahoma Lic. No. 1433

