

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

API NUMBER: 009 21875

Approval Date: 01/23/2013  
Expiration Date: 07/23/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 30 Twp: 11N Rge: 26W County: BECKHAM  
SPOT LOCATION:  NW  NW  NW  NW FEET FROM QUARTER: FROM NORTH FROM WEST  
SECTION LINES: 220 230

Lease Name: BURL HARMAN Well No: 3-30H Well will be 220 feet from nearest unit or lease boundary.  
Operator Name: SM ENERGY COMPANY Telephone: 9184887600 OTC/OCC Number: 21517 0

SM ENERGY COMPANY  
6120 S YALE AVE STE 1300  
TULSA, OK 74136-4210

BURL HARMAN  
910 GREYSTONE DR  
COPPERAS COVE TX 76522

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

	Name	Depth	Name	Depth
1	VIRGIL	8800	6	
2	GRANITE WASH UP	10670	7	
3			8	
4			9	
5			10	

Spacing Orders: 482638

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201205830

Special Orders:

Total Depth: 16121

Ground Elevation: 2238

**Surface Casing: 450**

Depth to base of Treatable Water-Bearing FM: 320

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: 65000 Average: 5000

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

Within 1 mile of municipal water well? Y

Wellhead Protection Area? Y

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: 13-22412

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? Y

Wellhead Protection Area? Y

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 30 Twp 11N Rge 26W County BECKHAM

Spot Location of End Point: SW SW SW SW

Feet From: SOUTH 1/4 Section Line: 200

Feet From: WEST 1/4 Section Line: 230

Depth of Deviation: 10932

Radius of Turn: 573

Direction: 180

Total Length: 4289

Measured Total Depth: 16121

True Vertical Depth: 11505

End Point Location from Lease,  
Unit, or Property Line: 200

Notes:

Category

Description

FORMATIONS

1/23/2013 - G30 - BASED ON NOMENCLATURE IN SPACING ORDER #166467 THE OCC HAS INTERPRETED UPPER GRANITE WASH TO BE MISSOURIAN

MEMO

1/23/2013 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

MUNICIPAL WATER WELL

1/23/2013 - G71 - BECKHAM CO RWD #2 - 1 WELL, NW/4 19-11N-26W

PENDING CD - 201205830

1/23/2013 - G30 - 30-11N-26W  
X166467 PLCBD  
X482638 VRGL, GRWSU  
SHL NCT 200 FNL, NCT 200 FWL  
1ST PERF NCT 300 FNL, NCT 200 FWL  
LAST PERF NCT 300 FSL, NCT 200 FWL  
NO OP. NAMED  
REC 12/19/ (P.PORTER)

SPACING - 166467

1/23/2013 - G30 - (640) 30-11N-26W  
EXT 67733 VRGL, GRWSU, GRWSL  
EXT OTHERS  
EST OTHERS

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