

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

API NUMBER: 117 23515

Approval Date: 02/06/2013  
Expiration Date: 08/06/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 12 Twp: 22N Rge: 3E

County: PAWNEE

SPOT LOCATION:  SE  SE  SE  SE

FEET FROM QUARTER: FROM SOUTH FROM EAST

SECTION LINES: 250 283

Lease Name: NIX

Well No: 12-2H

Well will be 250 feet from nearest unit or lease boundary.

Operator Name: HIGHMOUNT OPERATING LLC

Telephone: 4057495263

OTC/OCC Number: 22912 0

HIGHMOUNT OPERATING LLC  
14000 QUAIL SPRINGS PKWY FL 600  
OKLAHOMA CITY, OK 73134-2616

ROGER B. NIX & GLINDA NIX  
340784 E. HWY 15  
MORRISON OK 73061

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	3890	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 600151

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201300116

Special Orders:

Total Depth: 8350

Ground Elevation: 1046

**Surface Casing: 400**

Depth to base of Treatable Water-Bearing FM: 260

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

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: 2

Liner not required for Category: 2

Pit Location is BED AQUIFER

Pit Location Formation: OSCAR

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

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.

HORIZONTAL HOLE 1

Sec 12 Twp 22N Rge 3E County PAWNEE

Spot Location of End Point: NW NE NE NE

Feet From: SOUTH 1/4 Section Line: 2466

Feet From: WEST 1/4 Section Line: 2289

Depth of Deviation: 3100

Radius of Turn: 1060

Direction: 360

Total Length: 4190

Measured Total Depth: 8350

True Vertical Depth: 3950

End Point Location from Lease,  
Unit, or Property Line: 174

Notes:

Category	Description
PENDING CD - 201300116	1/29/2013 - G30 - 12-22N-3E X600151 MSSP XOTHERS SHL 250 FSL, 283 FEL 1ST PERF NCT 660 FSL, NCT 230 FEL LAST PERF NCT 150 FNL, NCT 230 FEL NO OP. NAMED REC 2/5/13 (M.PORTER)
SPACING - 600151	1/29/2013 - G30 - (80/640) 12-22N-3E DEL 176104 MSSLM (80) EXT OTHERS (80) EST OTHERS (640 HOR) EST MSSP, OTHER