

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

API NUMBER: 149 20346 A

Approval Date: 03/20/2013
Expiration Date: 09/20/2013

Horizontal Hole Oil & Gas

PERMIT TO DEEPEN

WELL LOCATION: Sec: 19 Twp: 10N Rge: 18W County: WASHITA
SPOT LOCATION: NW NE SW NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 1020 720

Lease Name: BERRY-HINDS Well No: 1-19 Well will be 1620 feet from nearest unit or lease boundary.
Operator Name: CHEYENNE OIL PROPERTIES INC Telephone: 5807658010 OTC/OCC Number: 11929 0

CHEYENNE OIL PROPERTIES INC
107 N 4TH ST STE 209
PONCA CITY, OK 74601-4529

DONALD & JUANITA GRAY
BOX 429
BURNS FLAT OK 73624

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

Name	Depth	Name	Depth
1 DES MOINES	11400	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 191959

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 13822 Ground Elevation: 1813 **Surface Casing: 5789 IP** Depth to base of Treatable Water-Bearing FM: 640

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: 25000 Average: 8000

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: 1A

Liner required for Category: 1A

Pit Location is BED AQUIFER

Pit Location Formation: ELK CITY

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. 20-MIL PIT LINER REQUIRED

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 19 Twp 10N Rge 18W County WASHITA

Spot Location of End Point: W2 E2 W2 SE

Feet From: SOUTH 1/4 Section Line: 1320

Feet From: WEST 1/4 Section Line: 720

Depth of Deviation: 11400

Radius of Turn: 482

Direction: 180

Total Length: 1665

Measured Total Depth: 13822

True Vertical Depth: 11482

End Point Location from Lease,
Unit, or Property Line: 1320

Notes:

Category	Description
MUNICIPAL WATER WELLS	3/11/2013 - G71 - CORDELL, 6 WELLS, SW4 19-10N-18W
SPACING - 191959	3/11/2013 - G75 - (640) 19-10N-18W EXT 171887 DSMN, OTHERS