API NUMBER: 119 23994 A

Horizontal Hole Oil & Gas

Amend reason: MOVE SHL

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

Approval Date: 11/05/2012
Expiration Date: 05/05/2013

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 14 Twp: 19N Rge: 2E County: PAYNE

SPOT LOCATION: SE NW NE NE

FEET FROM QUARTER: FROM **SOUTH** FROM **WEST**

SECTION LINES: **2215** **1955**

Lease Name: STILLWATER **Well No: 3-14H** **Well will be 425 feet from nearest unit or lease boundary.**

Operator Name: EEC INC Telephone: 4053212229 OTC/OCC Number: 3858 0

EEC INC
1006 24TH AVE NW STE 120
NORMAN, OK 73069-6344

STILLWATER REAL PROP LLC
1006 24TH AVE NW #120
NORMAN OK 73069

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

	Name	Depth		Name	Depth
1	SKINNER LOW	4000	6		
2			7		
3			8		
4			9		
5			10		

Spacing Orders: 550343

Location Exception Orders:

Increased Density Orders: 603682

Pending CD Numbers:

Special Orders:

Total Depth: 8436 Ground Elevation: 883 **Surface Casing: 300** Depth to base of Treatable Water-Bearing FM: 210

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: 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: C

Liner not required for Category: C

Pit Location is ALLUVIAL

Pit Location Formation: ALLUVIUM

Approved Method for disposal of Drilling Fluids:

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 12-21622

H. CLOSED SYSTEM=STEEL PITS PER OPERATOR OPTION

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 14 Twp 19N Rge 2E County PAYNE

Spot Location of End Point: C N2 NW SW

Feet From: SOUTH 1/4 Section Line: 2310

Feet From: WEST 1/4 Section Line: 660

Depth of Deviation: 3345

Radius of Turn: 556

Direction: 237

Total Length: 3979

Measured Total Depth: 8436

True Vertical Depth: 4053

End Point Location from Lease,
Unit, or Property Line: 660

Notes:

Category	Description
INCREASED DENSITY - 603682	11/5/2012 - G30 - 14-19N-2E X550343 SKNRL 1 WELL EEC, INC. 10/31/12
SPACING - 550343	11/5/2012 - G30 - (640 HOR) 14-19N-2E EST SKNRL (NCT 660' FB) (COEXIST WITH PRODUCING NON-HORIZONTAL SPACING) (SUPERCEDE EXISTING NON-DEVELOPED, NON-HORIZONTAL SPACING)

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.