

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

API NUMBER: 117 23531

Approval Date: 04/22/2013
Expiration Date: 10/22/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 05 Twp: 21N Rge: 4E

County: PAWNEE

SPOT LOCATION: N2 N2 NE NE

FEET FROM QUARTER: FROM NORTH FROM EAST

SECTION LINES: 250 660

Lease Name: ADAMS

Well No: 5-1H

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

Operator Name: HIGHMOUNT OPERATING LLC

Telephone: 4057495263; 4057495

OTC/OCC Number: 22912 0

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

HOLLIS EDWARD ADAMS II, SUCCESSOR TRUSTEE
1304 9TH PLACE
PAWNEE OK 74058

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	3751	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 598339

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201301097

Special Orders:

Total Depth: 7100

Ground Elevation: 913

Surface Casing: 350

Depth to base of Treatable Water-Bearing FM: 210

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: 1B

Liner required for Category: 1B

Pit Location is AP/TE DEPOSIT

Pit Location Formation: TERRACE

Approved Method for disposal of Drilling Fluids:

A. Evaporation/dewater and backfilling of reserve pit.

H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

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 05 Twp 21N Rge 4E County PAWNEE

Spot Location of End Point: SE SW NE SE

Feet From: SOUTH 1/4 Section Line: 1420

Feet From: WEST 1/4 Section Line: 1978

Depth of Deviation: 3000

Radius of Turn: 773

Direction: 181

Total Length: 2886

Measured Total Depth: 7100

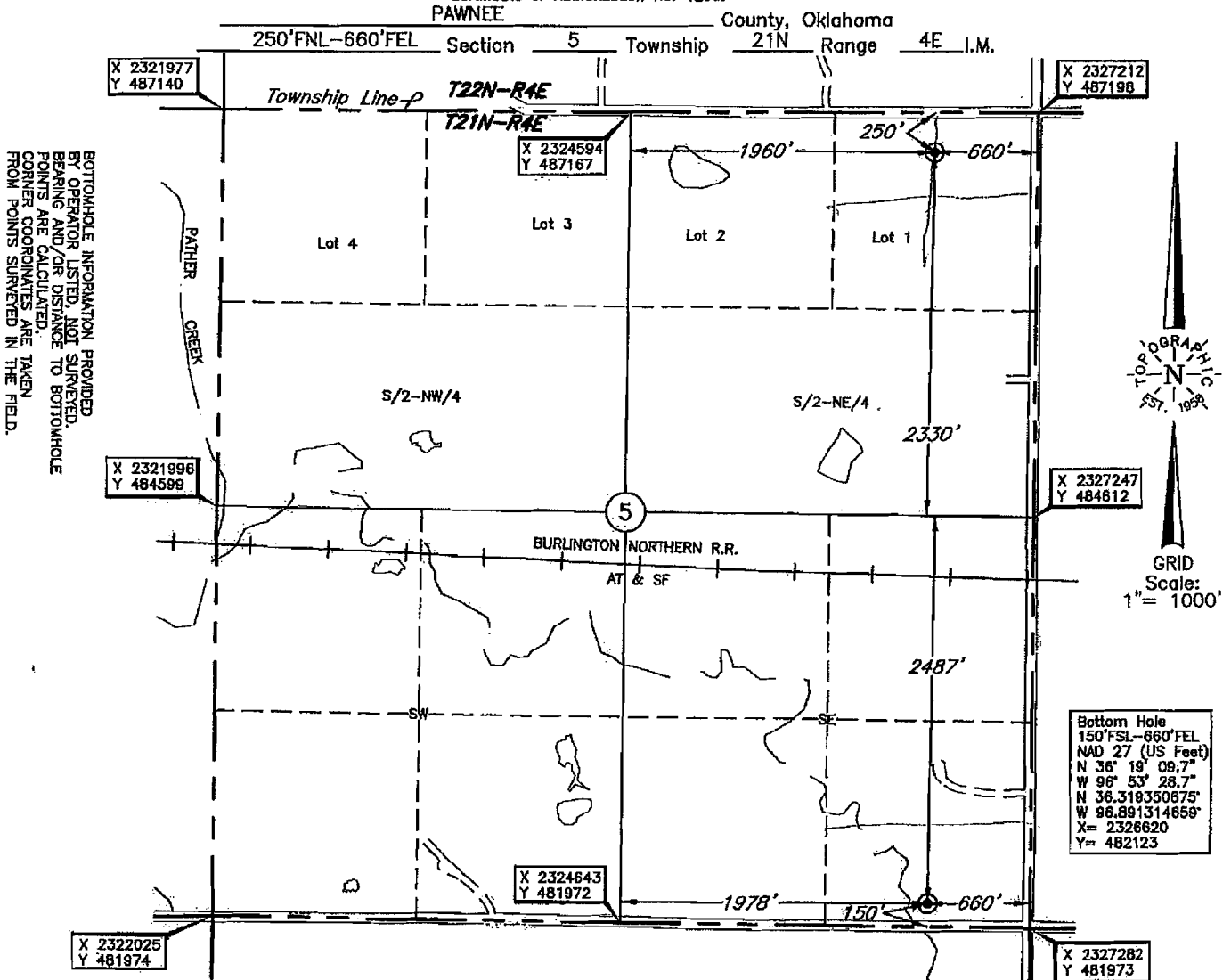
True Vertical Depth: 3850

End Point Location from Lease,
Unit, or Property Line: 662

Notes:

Category	Description
PENDING CD - 201301097	4/19/2013 - G75 - (I.O.) 5-21N-4E X598339 MSSP, OTHERS SHL 250 FNL, 660 FEL FIRST PERF NCT 660 FNL, NCT 560 FEL LAST PERF NCT 150 FSL, NCT 560 FEL NO OP. NAMED REC 3-12-2013 (M. PORTER)
SPACING - 598339	4/19/2013 - G75 - (640/40) 5-21N-4E EST (VER)(40) OTHERS EST (HOR)(640) MSSP, OTHER POE TO BHL NCT 660' FB (SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)

ADI
 117-23531



Operator: HIGHMOUNT OPERATING, LLC

Lease Name: ADAMS

Well No.: 5-1H

ELEVATION:
913' Gr. at Stake

Topography & Vegetation Loc. fell in wheat field.

Good Drill Site? Yes Reference Stakes or Alternate Location
 Stakes Set None

Best Accessibility to Location From county road North of location.

Distance & Direction from Hwy Jct or Town From Lela, Oklahoma, go ±2.0 mi. East on U.S. Hwy. 64, then ±1.0 mi. North to the NE Corner of Section 5, T21N-R4E.

SCANNED

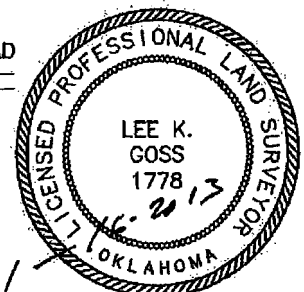
DATUM: NAD-27
 LAT: 36°19'57.3"N
 LONG: 96°53'28.8"W
 LAT: 36.332584959°
 LONG: 96.891345796°
 STATE PLANE
 COORDINATES: (US Feet)
 ZONE: OK NORTH
 X: 2326556
 Y: 486940

Date of Drawing: Jan. 15, 2013
 Invoice # 194953 Date Staked: Jan. 10, 2013 AD

CERTIFICATE:

I, Lee K. Goss a Oklahoma Licensed Land Surveyor and an authorized agent of Topographic Land Surveyors of Oklahoma, do hereby certify that the above described well location was surveyed and staked on the ground as shown herein.

Lee K. Goss
 Oklahoma Lic. No. 1778



This information was gathered with a GPS receiver with Sub-meter accuracy.