

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

API NUMBER: 117 23532

Approval Date: 04/25/2013  
Expiration Date: 10/25/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 09 Twp: 22N Rge: 4E

County: PAWNEE

SPOT LOCATION:  S2  SE  SW  SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 200 990

Lease Name: SMITH

Well No: 1H-9

Well will be 200 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

TROY GENE SMITH  
343101 E. 4300 RD.  
PAWNEE OK 74058

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

Name	Depth	Name	Depth
1 MISSISSIPPIAN	3709	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 596637

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201302289

Special Orders:

Total Depth: 8400

Ground Elevation: 967

**Surface Casing: 380**

Depth to base of Treatable Water-Bearing FM: 270

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 09 Twp 22N Rge 4E County PAWNEE

Spot Location of End Point: C NE NW NW

Feet From: SOUTH 1/4 Section Line: 2310

Feet From: WEST 1/4 Section Line: 990

Depth of Deviation: 3150

Radius of Turn: 726

Direction: 360

Total Length: 4110

Measured Total Depth: 8400

True Vertical Depth: 3850

End Point Location from Lease,  
Unit, or Property Line: 330

Notes:

Category

Description

PENDING CD - 201302289

4/25/2013 - G75 - (I.O.) 9-22N-4E  
X596637 MSSP, OTHERS  
SHL 200 FSL, 990 FWL  
FIRST PERF NCT 660 FSL, NCT 560 FWL  
LAST PERF NCT 150 FNL, NCT 560 FWL  
NO OP. NAMED  
REC 4-23-2013 (NORRIS)

SPACING - 596637

4/25/2013 - G75 - (640/40) 9-22N-4E  
EST (40)(VER) OTHERS  
EXT (40)(VER) OTHERS  
EST (640)(HOR) MSSP, OTHER  
POE TO BHL NCT 660' FB  
(SUPERSEDE NON-DEVELOPED NON-HORIZONTAL SPACING UNITS)