

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

API NUMBER: 019 25902

Approval Date: 05/24/2013
Expiration Date: 11/24/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 11 Twp: 4S Rge: 3E County: CARTER
SPOT LOCATION: NW NE NE NE FEET FROM QUARTER: FROM SOUTH FROM WEST
SECTION LINES: 2555 2225

Lease Name: DUNN Well No: 2-2H Well will be 85 feet from nearest unit or lease boundary.
Operator Name: BNK PETROLEUM (US) INC Telephone: 8054843613 OTC/OCC Number: 21948 0

BNK PETROLEUM (US) INC
760 PASEO CAMARILLO STE 350
CAMARILLO, CA 93010-0763

RENEE WIGGINS
812 PONDEROSA RD
ARDMORE OK 73401

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

	Name	Depth	Name	Depth
1	CANEY	9500	6	
2	SYCAMORE	9720	7	
3			8	
4			9	
5			10	

Spacing Orders: 142014

Location Exception Orders: 606992

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14840

Ground Elevation: 711

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 430

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

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

F. Haul to Commercial soil farming facility: Sec. 28 Twn. 5S Rng. 3W Cnty. 19 Order No: 533041

H. SEE MEMO

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.

PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 150000 Average: 125000

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

HORIZONTAL HOLE 1

Sec 02 Twp 4S Rge 3E County CARTER

Spot Location of End Point: NW NE NE NE

Feet From: SOUTH 1/4 Section Line: 2639

Feet From: WEST 1/4 Section Line: 2309

Depth of Deviation: 9000

Radius of Turn: 660

Direction: 360

Total Length: 4753

Measured Total Depth: 14840

True Vertical Depth: 9720

End Point Location from Lease,
Unit, or Property Line: 1

Notes:

Category

Description

DEEP SURFACE CASING

5/22/2013 - G30 - APPROVED CONTINGENT ON NOTIFYING OCC FIELD STAFF IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

LOCATION EXCEPTION - 606992

5/22/2013 - G30 - (I.O.) 2-4S-3E
X142014 CNEY, SCMR
SHL NCT 250 FNL, NCT 250 FEL 11-4S-3E**
POE NCT 0 FSL, NCT 330 FEL 2-4S-3E
1ST PERF NCT 165 FSL, NCT 330 FEL 2-4S-3E
LAST PERF NCT 165 FNL, NCT 330 FEL 2-4S-3E
BHL NCT 0 FNL, NCT 330 FEL 2-4S-3E
NO OP. NAMED
1/25/13

**SHL TO BE CORRECTED AT HEARING FOR FINAL ORDER LOCATION EXCEPTION PER OPERATOR

MEMO

5/22/2013 - G30 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS (REQUIRED, WASHITA RIVER); PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 142014

5/22/2013 - G30 - (640) 2-4S-3E
EST SPRG, CNEY, SCMR, OTHERS

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.