

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

API NUMBER: 045 23361

Approval Date: 06/11/2013
Expiration Date: 12/11/2013

Horizontal Hole Oil & Gas

PERMIT TO DRILL

WELL LOCATION: Sec: 33 Twp: 17N Rge: 24W County: ELLIS
SPOT LOCATION: N2 N2 NE NW FEET FROM QUARTER: FROM NORTH FROM WEST
SECTION LINES: 200 1980

Lease Name: JOHNSTON TRUST Well No: 2-33H Well will be 200 feet from nearest unit or lease boundary.
Operator Name: PRIMARY NATURAL RESOURCES III LLC Telephone: 9184950598 OTC/OCC Number: 22514 0

PRIMARY NATURAL RESOURCES III LLC
7134 S YALE AVE STE 430
TULSA, OK 74136-6351

FRED JOHNSTON
19355 CYPRESS RIDGE TERRACE, UNIT 1012
LEESBURG VA 20176

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

	Name	Depth	Name	Depth
1	CLEVELAND	9440	6	
2	MARMATON	9800	7	
3			8	
4			9	
5			10	

Spacing Orders: 611594

Location Exception Orders:

Increased Density Orders:

Pending CD Numbers: 201302063

Special Orders:

Total Depth: 14269

Ground Elevation: 2230

Surface Casing: 1500

Depth to base of Treatable Water-Bearing FM: 390

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: No

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: 100000 Average: 5000

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 BED AQUIFER

Pit Location Formation: CLOUD CHIEF

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 13-23573

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: 300000 Average: 200000

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 BED AQUIFER

Pit Location Formation: CLOUD CHIEF

HORIZONTAL HOLE 1

Sec 33 Twp 17N Rge 24W County ELLIS

Spot Location of End Point: C S2 SE SW

Feet From: SOUTH 1/4 Section Line: 330

Feet From: WEST 1/4 Section Line: 1980

Depth of Deviation: 9237

Radius of Turn: 600

Direction: 180

Total Length: 4090

Measured Total Depth: 14269

True Vertical Depth: 9800

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

Notes:

Category

Description

DEEP SURFACE CASING

6/11/2013 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY FOR ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON CONDUCTOR OR SURFACE CASING

MEMO

6/11/2013 - G71 - PIT 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST; PIT 2 - OBM TO VENDOR, OBM CUTTINGS PER DISTRICT

PENDING CD - 201302063

6/11/2013 - G75 - (I.O.) 33-17N-24W
XOTHER
X611594 CLVD, MRMN
FIRST PERF NCT 330 TO NL, NCT 1650 TO WL
LAST PERF NCT 330 TO SL, NCT 1650 TO WL
NO OP. NAMED
REC 4-23-2013 (MCKEOWN)

SPACING - 611594

6/11/2013 - G75 - (640)(HOR) 33-17N-24W
EXT 599586 CLVD, MRMN, OTHERS
POE TO BHL NCT 660' FB, NCT 600' FWB
(SUPERSEDE SP. ORDER # 138264 CLVD, OSWG, OTHERS)

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