API NUMBER: 073 24849

Oil & Gas

Horizontal Hole

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

Approval Date: 07/08/2013
Expiration Date: 01/08/2014

PERMIT TO DRILL

WELL LOCATION:	Sec:	23	Twp:	17N	Rge:	5W	County:	KINGFISHER	
			$\neg \vdash$	$\overline{}$		$\neg$			

SPOT LOCATION: SE SE SW SE FEET FROM QUARTER: FROM SOUTH FROM WEST SECTION LINES: 165 1170

Lease Name: LINCOLN S.E. PRUE MERAMEC UNIT Well No: 7-3H Well will be 165 feet from nearest unit or lease boundary.

Operator HINKLE OIL & GAS INC Telephone: 4058480924 OTC/OCC Number: 21639 0

HINKLE OIL & GAS INC 5600 N MAY AVE STE 295

OKLAHOMA CITY, OK 73112-4275

LINDA HUFFMAN P.O. BOX 237

CRESCENT OK 73028

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

	Name	Depth	Name	Depth
1	MERAMEC	6375 6	;	
2		7		
3		8	ł	
4		9		
5		1	0	
Spacing Orders:	81370	Location Exception Orders:		Increased Density Orders:

Pending CD Numbers: Special Orders:

Total Depth: 11865 Ground Elevation: 1072 Surface Casing: 240 Depth to base of Treatable Water-Bearing FM: 190

Under Federal Jurisdiction: No Fresh Water Supply Well Drilled: No Surface Water used to Drill: No

PIT 1 INFORMATION

Type of Pit System: ON SITE

Type of Mud System: WATER BASED

Chlorides Max: 4000 Average: 1800

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.

D. One time land application -- (REQUIRES PERMIT) PERMIT NO: 13-23760 H. SOIL COMPACTED PIT, NOTIFY DISTRICT PRIOR TO TESTING SOIL PIT LINER

## HORIZONTAL HOLE 1

Sec 26 Twp 17N Rge 5W County KINGFISHER

Spot Location of End Point: S2 SW SW SE
Feet From: SOUTH 1/4 Section Line: 165
Feet From: WEST 1/4 Section Line: 330

Depth of Deviation: 6000 Radius of Turn: 797 Direction: 190 Total Length: 4613

Measured Total Depth: 11865

True Vertical Depth: 7252

End Point Location from Lease,
Unit, or Property Line: 165

Notes:

Category Description

SPACING - 81370 7/8/2013 - G75 - (UNIT) SE4 23 & E2 26-17N-5W

EST LINCOLN SE PRUE-MERAMEC UNIT FOR PRUE & MRMC